



CITY OF ARVADA HOUSING NEEDS ASSESSMENT

2003



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TABLE OF CONTENTS

Executive Summary.....	1
Purpose.....	1
Context	2
Key Findings	3
Program Options	10
Organization of the Report.....	13
Definitions Used	13
Methodology.....	15
Primary Research.....	15
Other Sources of Information.....	16
Arvada – 2000 Census Highlights	18
Arvada – Overall Survey Highlights	33
Arvada – Survey Highlights (Owners and Renters)	38
Geographic Comparison.....	44
Demographics.....	46
Employment	57
Profile of Jobs in Arvada	57
Where Residents Work.....	59
Comparison of Worker Households	60
Job Growth and Housing Demand.....	63
Households by Area Median Income	64
Housing Costs.....	72
Housing Stock Characteristics.....	72
Comparison to Jefferson County Communities.....	76
Housing Payment	77
Sales Trends	78
Rental Conditions	80
Income Restricted Housing.....	81
Special Needs Housing	83
Key Informant Interviews.....	83
Seniors	84
Households With a Disabled Person	94
Homeless.....	99
Opportunities and Constraints	105
For Sale Housing Demand.....	105
Existing Potential Demand – Entry Level Buyers	105
Demand from Employment Growth	106
Rental Housing GAP Analysis	106
For Sale Opportunities	107
Income of Potential Buyers	108
Down Payment Assistance, Rehabilitation and Rental Assistance Program	114
Constraints	114

EXECUTIVE SUMMARY

Purpose

The purpose of the study is to provide the City of Arvada with baseline information that would be useful in evaluating and targeting affordable housing efforts. The information can also be used to discuss housing needs and opportunities with the Department of Housing and Urban Development (HUD) and various other federal, state, local and other public agencies and non-profit and private interests involved in projects for the community. This study provides a housing assessment for inclusion in the Consolidated Plan and can be used to help target resources for housing within the community.

This is a study that is focused on providing information about current and future housing needs and the available supply of housing to address these needs.

This information may be used to:

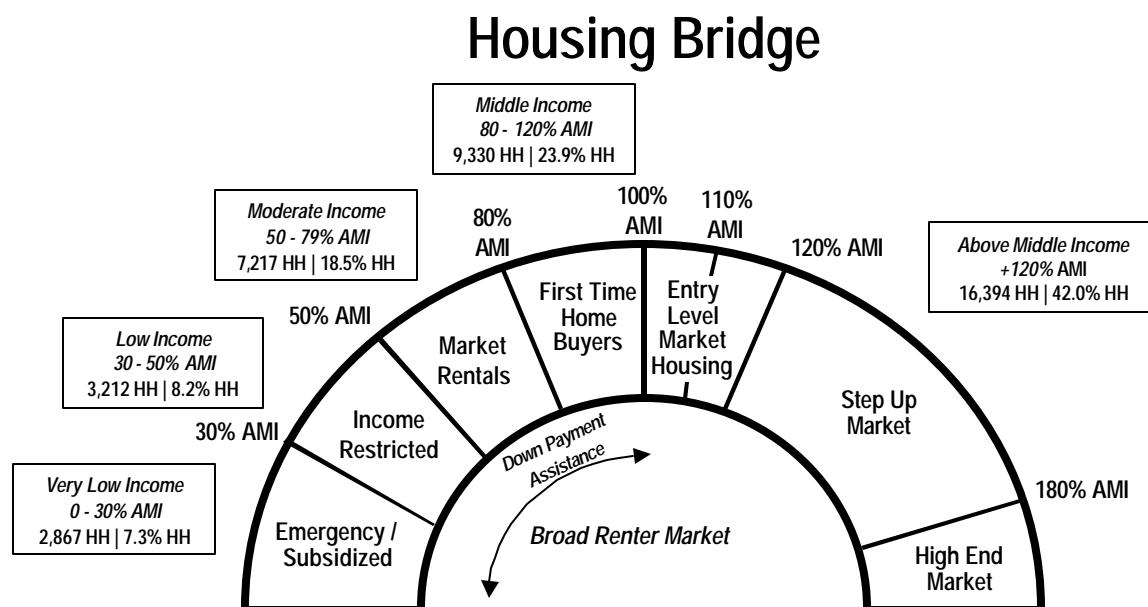
- Evaluate and potentially modify public policies and housing programs including land use regulations, affordable housing incentives and development codes;
- Facilitate partnerships between public- and private-sector organizations to create developments that include housing that is suitable and affordable to different population groups;
- Obtain financing for housing projects. Most private, federal and state lending institutions require demographic and housing cost information to support loan or grant applications. Often information presented in a housing needs assessment may be used to support a proposed development with different funding agencies. This information can also be used when a financial institution requires market studies (for example, rental units financed with Low Income Housing Tax Credits);
- Assess the distribution patterns of housing throughout Arvada, particularly in the context of employment;
- Establish baseline information from which progress toward meeting agreed upon goals can be evaluated;
- Plan for future affordable housing impacts connected with anticipated commercial and residential growth;
- Understand economic, housing and demographic trends in the area; and,
- Support various other planning-related projects that can benefit from the availability of up-to-date demographic data including transportation studies, environmental impact statements, school expansion, and parks/recreation planning.

Context

Addressing housing needs, concerns, issues and opportunities is a complex and often emotional issue. A Housing Needs Assessment provides baseline information from which policy decisions, local housing goals and objectives and program options can be evaluated. This information is intended to inform decisions, as well as suggest program and policy options for local governments to consider when addressing community housing needs and opportunities. Ideally, Arvada will have a mix and balance of housing that supports current and future residents as their housing needs and conditions change. Housing can play a supportive role in economic development as well. In this instance, a balance of housing that is affordable and suitable for different employment needs would be ideal.

Affordable housing is generally defined as a housing payment that does not exceed 30% of gross monthly income and a home that is of a sufficient size to meet the needs of the household. The types of homes that are made available under local housing initiatives vary depending on the housing needs in different communities and the policies and goals established by these communities to support these goals. Customizing policies, goals and programs to local conditions is an important component of any successful housing strategy.

The Housing Bridge illustrated below portrays a spectrum of housing that is affordable and most likely to be sought out by households in different income groups. The Housing Bridge depicts what may be ideal for most communities – the availability of housing that is affordable to all households and provides options for changing life circumstances. What is key in this approach is that there are opportunities to buy or rent for households at different economic levels, thus supporting an economically balanced community.



Key Findings

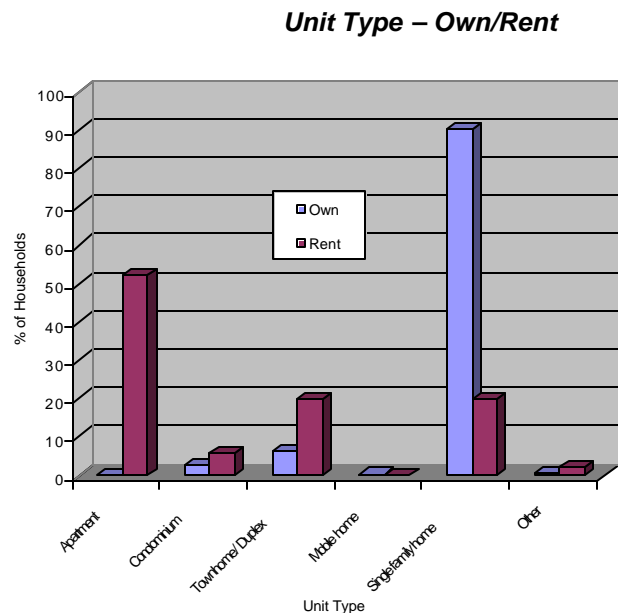
Information from the US Census and other public information sources, household surveys, Realtor, developer and employer interviews, as well as conversations with service agency representatives, were used to conduct a housing study for the City of Arvada. This section summarizes the key findings and observations resulting from the analysis of housing conditions in Arvada, as related to the needs of residents, impacts from current and future employment growth and out-commuting.

Background

Arvada was home to 102,153 people living in 39,019 households in 2000. The City administers its own Community Development Block Grant (CDBG), Section 8 Rental Assistance Program and home repair programs. At this time, the City is engaged in updating the master plan and has land upon which future nonresidential and residential development will occur. Arvada is in a position to influence the type(s) of development that are occurring in the community and target its resources to address housing needs and opportunities identified through this study. This report provides quantitative information that will be useful in making policy decisions, and considerations about how to allocate staff and financial resources, use land and enhance future housing efforts throughout the community.

Housing Characteristics and Perceptions

The 2000 Census found that Arvada has a high percentage of owner occupied units (76%). From the Household Survey, it was learned that residents feel their homes are in good to excellent condition and most owners are not looking for a different place to buy. Despite these positive aspects, 43% of renters and 26% of owners felt that affordable housing was one of the most critical or serious problems facing Arvada. Residents generally believe it is important for essential workers, such as teachers and firefighters, to live in the community in which they work. They also support the concept that seniors should be able to remain in the community as they grow older and that it is important to have a variety of rental and for-sale housing for people who want to live in Arvada.



Conclusion: Arvada residents are generally interested in having diversity in housing stock that would maintain opportunities for essential workers and seniors to live in the community. Efforts need to be directed toward enhancing an on-going supply of housing that is affordable and suitable for essential workers and seniors.

Employment and Housing Demand

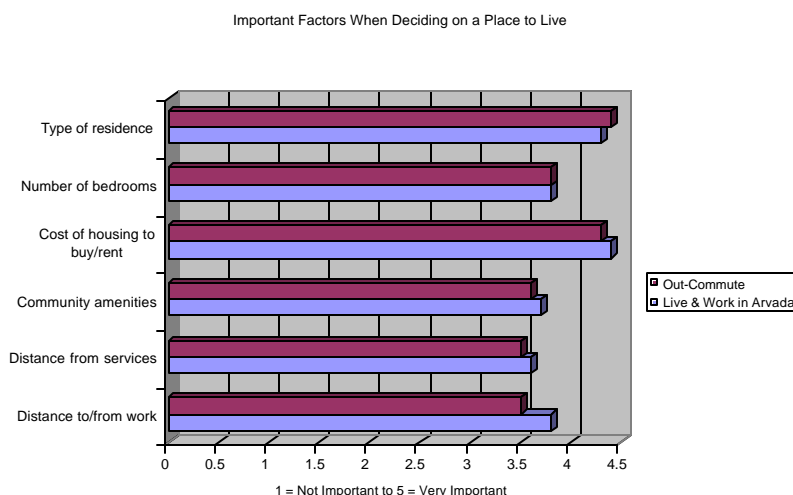
The household survey found that 25% of Arvada residents work in Arvada and that there is an average of 1.3 employees per household. It is estimated that residents hold 48% of jobs, with the balance being filled by persons commuting in from other areas. The bulk of jobs in Arvada are retail and services. The average annual wage for service jobs in 2000 was \$36,194 and retail jobs paid an average of \$18,929. At these wages, an affordable monthly payment would be \$473 to \$904.

According to the Denver Regional Council of Governments (DRCOG), jobs in Arvada will increase from 30,944 in 2000 to 37,496 by 2010. Assuming that residents continue to hold 48% of jobs in Arvada and that there are an average of 1.3 employees per household means that the city would need to add 3,045 new residential units over this period of time. This would be the number of units needed to maintain the same percentage of residents who live and work in the community.

Conclusion: Arvada will continue to attract jobs to the community. Most of these jobs will be in retail and service sectors, which traditionally pay \$18,929 to \$36,194. To maintain the existing ratio of residents who live and work in the community, zoning and land use plans need to consider the types of housing that would be affordable to these employees. Given what these employees can afford, multi-family rental housing and attached housing will be most appropriate.

Commuting

Although 75% of Arvada residents commute outside the city for employment, most are commuting to other Jefferson County communities, with 32% going to Denver. There



are no notable differences between the median income of employees who remain in Arvada to work and those who commute outside of the area for employment, indicating that out-commuters are not increasing the demand for higher priced homes in the area. In fact, there are no notable differences on any factors among those who commute out of the area as

compared to those who work in Arvada. It is more likely that Arvada residents who work compete with employees from other communities for housing that is similar in style and price to homes that out-of-area employees want.

Conclusion: residents who commute out of the area for work are not overly affecting housing demand in Arvada. In other words, out-commuters are not driving the demand for higher priced homes.

For-Sale Housing

The Household Survey found that there are about 7,000 owners who would like to buy another home in Arvada and about 7,600 renters who are also looking to purchase. Of those who want to buy, 3,719 earn over 120% of the Area Median Income (AMI). A three-person household earning \$75,480 (120% of AMI) could afford a home priced at roughly \$220,000, which is in the range of an existing single-family home, but about \$160,000 less than the median price a new home sold for in 2002.

Among renters, 1,329 earn 80% to 120% of AMI. At 80% of AMI a three-person household earning \$50,350 could purchase a home priced at \$178,320. Most renters would prefer to buy a “fixer-upper” or older home that is in their price range. In 2002, the median sales price of a condominium or town home would be the only unit type available in this price range.

Realtors indicated that many households are willing to purchase a fixer-upper; however, they change their minds when they see the small size of the home and the amount of work needed. Realtors working in Arvada indicated that many first time buyers go to Adams County or Aurora to purchase their first home, as they can buy a new unit for the same amount of money as an existing home located in Arvada. To promote buying “fixer-uppers” Realtors suggest implementing a program where a non-profit would acquire an older home, make improvements that enhance energy efficiency, such as new windows, doors, roofs and insulation and then re-sell the home to a buyer. This would leave buyers to fix up interior spaces while living in an energy efficient space that would not require additional capital improvements.

Conclusion: There is significant demand for housing to purchase that is priced at or below \$180,000. Condominiums and town homes will likely be the only product type available in this price range for first time buyers. Since many first time buyers are families with children who desire a single-family home, consideration should be given to creating programs and policies that would encourage small single-family, duplex and town home style development in Arvada.

Another potential source of homes for first-time buyers are the older homes in Arvada. The cost associated with making improvements to these smaller homes is leading these buyers to purchase homes elsewhere in the metro area. To attract buyers willing to have a “fixer-upper”, consideration should be given to creating a program where existing small homes are purchased by a housing authority or non-profit and energy efficient improvements and upgrades to the major systems are made. These homes could then be re-sold to first time buyers.

Rental Housing

Rental conditions in Arvada are not as soft as the balance of the metro area, although there have been increases in vacancy rates and a lowering of rents over the past two years. Average rents in Arvada were \$730 in 2003. This was lower than the overall average rent for Jefferson County (\$777). What is striking about Arvada is that most renters live in southeastern Arvada and this is the area with the most multi-family housing development. It does not appear that multi-family housing is distributed throughout the community.

There were 9,533 renters living in Arvada at the time of the 2000 Census. Of these, 3,970 earn less than 50% of the AMI (36% of renters) and 2,266 of these households pay more than 30% of their income for housing and are housing cost burdened. In Arvada, there are an estimated 1,405 income-restricted units and Section 8 Vouchers available for these households. Of the assistance available for renters, 508 are Section 8 Vouchers administered by the Arvada Housing Authority.

Conclusion: Multi-family rental housing needs to be distributed throughout the community, particularly along transit corridors and in areas where significant new jobs are predicted. This is needed to support new jobs that will be brought into these areas that will not pay a wage that is high enough to purchase the average priced home or to rent a market rate rental unit. Locating multi-family rental housing throughout the community and along transit lines and in shopping and employment areas will also mitigate impacts on traffic in the community as commuting distances will be lessened. It will also assure that no one part of town is all rental housing or larger single-family homes.

There is a continued and growing demand for rental housing that is affordable to households earning 50% or less of the Area Median Income. This type of housing cannot be produced without additional subsidy and/or development incentives that are targeted toward bringing down the cost of acquisition and/or new development. Local resources, including CDBG funds and development and/or acquisition incentives, should be targeted toward projects that will address this demand.

Special Needs Housing

Seniors

Arvada has one of the highest percentages of senior households in Jefferson County (27%) and this is expected to continue to grow. Seniors are likely to be long time residents of Arvada who live in the southern quadrants of the city and are homeowners. Over one-third of senior households pay more than one-third of their monthly income for housing and are cost burdened. When this occurs, seniors will often pay for their housing and forgo other necessities including medical care and food. Cost burden among seniors who rent is greater with 33% paying more than 40% of their income for housing. Because of this, seniors who rent are very interested in programs that will help them pay their rent. Although 24% of owners pay more than 35% of their income for housing, this program would allow seniors to use the equity in their homes for living expenses. Realtors have found seniors who would be interested in such a program; however, they do not trust that a RAM is a legitimate program. Because of this, Realtors suggested that the city be actively involved in providing educational programs for seniors about the RAM.

Conclusion:

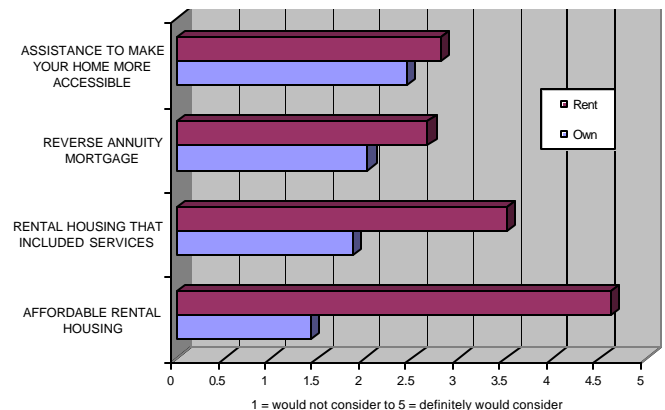
Lower-income seniors have been long-time residents of Arvada and are struggling to meet housing costs, along with other essentials such as medicine and food. Additional rental housing that is affordable to very low-income seniors is warranted. In addition, educational programs provided through the senior center about a RAM Program could also be beneficial and very inexpensive to provide.

Disabled Persons

Households with a disabled person are more likely to live in the southern quadrants of Arvada, have lived in the community for 10 or more years and are one-person households. Over 25% of households with a disabled person earn less than 30% of the AMI and are likely to need deeply subsidized housing, particularly since 41% pay more than 30% of their income for housing. Most are able to find housing that accommodates their disability.

very few are interested in a reverse annuity mortgage program (RAM).

Would You Consider Using One of the Following?



Conclusion: Disabled people are most likely to be one-person households who need deeply subsidized rental housing to remain in the community. As with seniors, efforts directed to increase the supply of affordable and accessible rental housing is warranted.

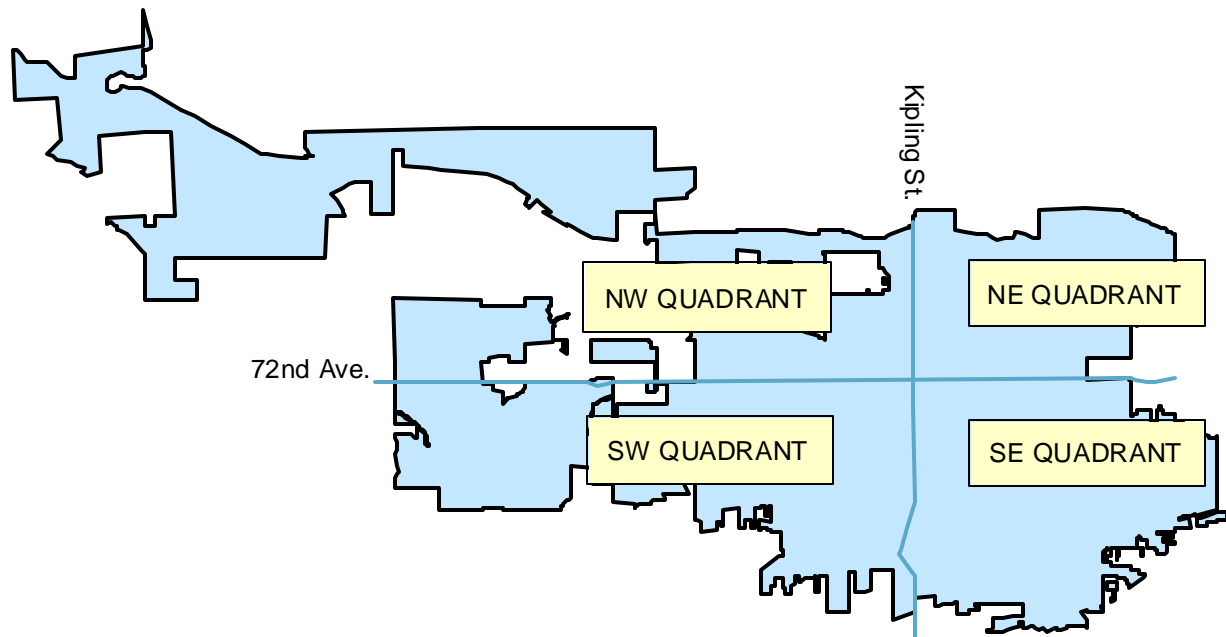
Homeless

Information about homelessness was gleaned from point in time surveys conducted by the Metro Denver Homeless Initiative (MDHI) in 2000 and again in 2003. On one night, 9,725 homeless persons were counted. The homeless are more likely to be families with children (67%) and have found themselves homeless due to lack of employment and/or an inability to pay for rent or mortgage. More than half were experiencing homelessness for the first or second time and were facing this situation for less than 90 days. Of the homeless, 13% had noted that Jefferson County was their last permanent place of residence and 4% were formerly permanent residents of Arvada. This study found that there is a severe lack of emergency shelter beds in the metro area and places for homeless to stay when being released from medical care. There is also a shortage of transitional housing. In Arvada, 43 units of transitional housing were identified among income-restricted units. Another seven units are available for battered women and their children. Several agencies have Section 8 Vouchers that are used as part of a transitional housing program.

Conclusion: Arvada residents are experiencing homelessness. There are a limited number of emergency shelter beds and transitional housing units available in Arvada for these households. Efforts need to be directed toward increasing the supply of emergency shelter and support services for homeless in Arvada.

Geographic Comparison

For the housing study, the City of Arvada was divided into four primary quadrants as shown in the following map:



There are notable differences in these areas:

- Ownership is higher in the northern sections of Arvada and there are a very high percentage of couples with children in this area, particularly in the northwest area.
- Households earning less than 50% of AMI are most likely to be found in the southeastern portion of Arvada, which corresponds to a greater percentage of adults living alone, couples without children and single-parent households.
- There is a great difference in median income among the four quadrants. The median household income was the highest in the northwest area, \$89,867 and the lowest in the southeastern area (\$38,319).
- Very few households with seniors live in northwestern Arvada. Most are located in the southern portions of Arvada.
- Ethnic diversity is greatest in southeastern Arvada (18% of households are non-white) with the balance of the areas reporting 4% to 5% races other than white.
- Among potential buyers, those living in southern Arvada were most likely to want an older home in good condition (over 40%).
- Households in north and south eastern Arvada were more likely to view housing as a critical or serious problem than those living in northwest Arvada.

Program Options

As part of the Housing Needs Assessment, key informant interviews were conducted with developers, Realtors, service agency representatives and employers. These interviews sought to understand some of the existing conditions that are being faced by these groups, but also to gain insights into steps the City of Arvada could take to further its local housing efforts.

Role of City

Participants in the key informant groups were asked to describe actions the City of Arvada could take to enhance production of more affordably priced housing, assuming that no new revenues would be available. Suggestions among those participating in the interviews included:

- *Establish a clear vision for housing and be able to speak succinctly and clearly about what is wanted for Arvada.*
- *Become educated about what “affordable housing” is and what it takes to produce this housing, then take steps to alleviate obstacles that get in the way of approving projects.*
- *Encourage a mix of housing types and prices in all areas.*
- *Understand the relationships between jobs, transportation and housing and have the political will to stand behind development proposals that address these relationships.*
- *Identify neighborhoods with 1950’s style vintage homes and then support selective redevelopment of these areas.*
- *Support mixed-use development.*
- *Explore how to use Urban Renewal Districts to include housing and possibly use a portion of tax increment financing for housing that would enliven the area.*
- *Establish a clear fee waiver or deferral program for developments meeting stated community goals.*
- *Create areas with high density.*
- *Streamline the development review process. Staff indicated that the development review process in Arvada is more efficient than other communities and in a recently completed review of this process undertaken with the Chamber of Commerce; developers did not indicate that this process was unduly long or cumbersome.*

Communities across the country have used different program options to encourage the production of housing that is affordable. Local governments that have clearly articulated a vision for their community that includes attainable housing for residents and employees meet with the best success in evaluating program options that will respond to

local opportunities and constraints. As federal funding for housing programs continues to diminish, local governments will play a greater role in supporting attainable housing efforts to assure an economically strong and socially diverse community. In Arvada, a series of program tools are in place that can enhance local housing efforts. There is also a need to address zoning that would support higher density housing in appropriate areas of the city, promote mixed-income and mixed-use development.

The following matrix provides a few examples of some of the more commonly used program strategies and lists the areas that have implemented these programs. It is important to note that more than one strategy is typically used in any community, as no one approach will fully meet the financial requirements for more affordable housing production and acquisition.

Program Tools

Program	Description	Communities
Density Bonus	Provides an increase in density to a developer for additional units, if all or part of the increased density is affordable housing.	Arvada, Longmont, Boulder, Glenwood Springs, Greeley, Denver
Density Transfer	Transfer density from one site to another. For example, density on property acquired for open space is transferred to another parcel.	Portland, Longmont, Steamboat, Seattle
Annexation Policies	With cooperative policies between the County and local municipalities, towns may require developers who seek annexation to provide a significant amount of affordable housing.	Garfield County, Boulder County
Fee Deferrals or Waivers	Defer payment of fees or sales and use tax until the certificate of occupancy is issued and/or freeze the amount of the fees to the price in place at the time the site plan is reviewed.	Lafayette, Loveland, Douglas County, Greeley, Longmont, Denver, Douglas County, Fort Collins
Accessory Units	Optional, small second units attached to or within single-family units.	Lafayette, Denver, Boulder, Oregon
Inclusionary Zoning	Requirement to set aside a certain portion of a residential development as affordable housing. The housing is usually similar to other units in development. The program may allow cash-in-lieu or off-site housing as an option for compliance.	Longmont, Denver, Lafayette, Glenwood Springs, Garfield County, San Miguel County
Community Land Trust	Non-profit organization that owns land in perpetuity and assures units remain affordable over time through the execution of a land lease.	Thistle Community Housing, Lowry Land Trust, Uptown Partnership
Land Banking	Land is purchased or donated well in advance of any development, making the land cost more reasonable in the future. Often this is excess land acquired as part of another purchase, such as parks or schools.	Used in Boulder County, Denver
Fast Tracking	Provide developments that meet local affordable housing thresholds to receive priority through the review process. Often done on a project specific basis	Fort Collins, Greeley
Commercial Linkage	Zoning provisions that require commercial development, to provide funds or housing to meet some portion of identifiable impacts of new development. This requires a nexus study, but can result in revenues and/or housing that matches the demand for housing generated by commercial development.	Aspen, Boulder, San Miguel County, Basalt
Shared Equity Programs	Funds are allocated to buy down the cost of a home to be affordable. When the home is sold in the future, the original amount of the funds are repaid with interest equaling the percentage increase in appreciation.	
Other Funding	CDBG and HOME Program Funds are eligible for housing developments and programs that support housing in the community. Low Income Housing Tax Credits are available for rental housing.	Used throughout the State.

ORGANIZATION OF THE REPORT

The balance of this report is organized into the following sections:

Definitions Used describes commonly used terms in the report.

Methodology describes the sources of information, approach used for the original research and the statistical validity of the data.

Housing and Survey Profiles describes the population, households, income, age distribution, primary language, and length of residence and tenure of those living in Arvada. This information was derived from the 2000 Census and the household survey and provides a context for understanding housing demand and supply in the community.

Commuting and Employment describes the number and types of jobs in the community, projected job growth, number of employed residents and number of residents employed per household. It also provides a synopsis of the interviews conducted with key staff and employers. Commuting patterns gives an estimate of the number of persons who live and work in Arvada, general commuting patterns and commuting distances of residents to jobs outside the area. This information provides some insights into the role residential housing plays in providing employees to the Denver Metro Region.

Very Low, Low, and Moderate Income Households provides a snapshot of households in these income groups, including the number of households and household type(s), cost burden, tenure, use of services, employment and length of time living in Jefferson County.

Housing Inventory and Costs provides information about unit types, income restricted units available for lower income households and housing sales in Arvada, including pricing trends over time. It compares the median price of homes by unit type as well as the cost of new versus existing homes in the area. Within this section is a description of the rental housing market in Arvada, including average rents, vacancy rates and rental conditions.

Market Analysis provides indications of gaps in the market for rental and owner-occupied housing.

Special Needs Populations provides more in-depth information about seniors and households with a disabled person. These are typically households that experience the greatest difficulties in locating housing that is affordable and suitable. This section also includes information gleaned from the staff of social services relative to housing needs in the community. Lastly, it includes information about homeless that was available from the Colorado State Department of Institutions.

DEFINITIONS USED

The following definitions are applicable for the terms used in this report.

- *Affordable Housing* - when the amount spent on rent or mortgage payments (excluding utilities) does not exceed 30% of the combined gross income of all household members. There is no

single amount that is “affordable”. The term is not synonymous with low-income housing; households in lower through middle-income ranges tend to have affordability problems. Under most Federal programs for low-income housing, occupants pay 30% of their gross income for rent and utilities.

- *Certificate of Occupancy* – the official document issued by the City to a general contractor upon completion of a dwelling unit, signifying the construction conforms to safety standards, such as the Uniform Building Code, as well as other applicable local standards, such as land use regulations and zoning.
- *Cost Burden* - when a household or individual spends more than 30% of gross income on rent or mortgage payments.
- *Disabled* -- households where a person needs in-home care, uses a walker or wheelchair, is blind, hearing impaired, developmentally disabled or has another form of disability as defined by the respondents. Disability can also include a work-related disability, as defined by the respondent.
- *Fair Market Rent* – the Department of Housing and Urban Development (HUD) establishes a Fair Market Rent (FMR) for rental units within a specific geographic area. The FMR is used to determine the amount of subsidy that will be paid to a landlord when a tenant has Section 8 Rent Subsidy.
- *Income Limits* – most communities establish income limits for the programs they administer based on the median family income (MFI) for the area according to household size, which are adjusted annually by the Department of Housing and Urban Development (HUD). Four different income categories are defined for various programs and policies. The dollar amounts associated with each household size are provided in the Very Low, Low, Moderate and Middle Income section of this report:
 1. *Very low income*, which is less than 30% of the median family income;
 2. *Low income*, which is between 30% and 59% of the median family income;
 3. *Moderate income*, which is between 60% and 79% of the median family income; and,
 4. *Middle Income*, which is between 80% and 120% of the median family income.
- *Mean* - the average of a group of numbers. It is obtained by adding all the data values and dividing by the number of items.
- *Median* – the middle point in a data set.
- *Multi-family* – projects where multiple households live in units that are attached.
- *Section 8 Rent Subsidy* - the Section 8 Housing Assistance Payment program is offered through the U.S. Department of Housing and Urban Development (HUD). This program pays the difference between 30% of monthly household income and the Fair Market Rent (FMR) established by HUD for the Denver Metro area. There are two types of Section 8 assistance: 1) project based where vouchers are attached to specific properties, or 2) vouchers --

households using Section 8 assistance find market rate housing where the landlord is willing to participate in the program.

- *Substandard Housing* - a unit that lacks complete kitchen and/or plumbing facilities.
- *Overcrowded Conditions* – the standard definition is where more than one person *per room* resides within a dwelling unit. For example, six people living in a five-room home would be living in overcrowded conditions.

METHODOLOGY

This section describes the sources of information, approaches used and statistical validity of the primary research.

Primary Research

Primary research, in the form of a household survey (distributed to City of Arvada households), employer interviews and local Realtor interviews, was conducted to generate information beyond that available from existing public sources.

- *Household survey.* The primary purpose of the household survey was to generate information on housing needs and preferences, opinions on potential housing problems and solutions, and employment and commute patterns among City of Arvada residents.

The household survey was conducted simultaneously with a household survey for all of Jefferson County. To ensure a sufficiently large return sample from city of Arvada households, 1,000 surveys were distributed throughout Arvada in addition to the 800 surveys mailed as part of the Jefferson County household survey. All city of Arvada households received a slightly different version of the survey than other Jefferson County households, allowing some local issues to be probed in more detail. Of the surveys mailed, 431 were returned, for a better-than-average response rate of 24 percent. It is expected that the pre-survey advertising by the City and County and the offering of \$50 grocery certificates to five randomly selected respondents helped achieve the relatively high response rate.

- *Realtor Interviews.* Five Realtors that specialize in selling homes in and around Arvada were interviewed to learn more about the current market, types of homes available in the area for purchase, understanding of programs available to assist first time buyers and suggestions for Arvada to support buyers in finding suitable and affordable homes to purchase.
- *Developer Interviews.* Five developers participated in these key informant interviews. These included builders who worked in Arvada, as well as a developer who focuses primarily on rental housing and has developed nationally and throughout the state, but not in Arvada. They provided insights about current market conditions, opportunities to develop housing that would be affordable to entry-level and essential workers and constraints that affect their business. They also provided a series of suggestions for the City of Arvada to

consider that would enhance the creation of entry-level for-sale housing and more affordably priced rental housing.

- *Employer interviews.* Telephone interviews were done with 16 employers located in Arvada. These were employers in the service, retail, government and manufacturing sectors. Within the service sector, there was some variety among employers, including three businesses affiliated with health care, a credit union, two different environmental service related employers and a credit union support service. Manufacturers included plastics, high-speed pumps and compressors for different industrial processes and a window treatment manufacturer. The City of Arvada also participated in the interview process.

Representation and Weighting of the Sample for the Household Survey

All household survey data, including that for Arvada, was weighted to accurately match the owner/renter mix for Jefferson County, as determined from the 2000 Census. The 2000 Census, as a 100 percent survey (i.e. based on data from 100 percent of households), provides the best available baseline for calibrating the results of the household survey to ensure that it is representative of the general Jefferson County population. This weighting effectively changed the tenure mix for the City of Arvada to closely reflect the owner/renter mix reported by the 2000 Census. The following table shows the pre- and post-weighted tenure mix for Arvada and Jefferson County.

Tenure: 2000 Census, Survey and Weighted Survey Results

Tenure	Jefferson County			Arvada		
	2000 Census	Survey (returned)	Survey (weighted)	2000 Census	Survey (returned)	Survey (weighted)
Own	72.5%	85%	72%	75.7%	88%	76%
Rent	27.5%	13%	27%	24.3%	11%	23%

Statistical Validity

The margin of error for household survey tabulations is generally within 4.7 percent at the 95% confidence level. This means that, for tabulations involving the entire sample, there is 95% confidence that any given percent reported is no more than plus or minus 4 to 5 percentage points from what is actually the case. When estimates are provided for sub-groups, such as owners and renters, individual communities, etc., the tabulations are less precise.

Other Sources of Information

Sources of published information used in the preparation of this report, include:

- 1990 and 2000 US Census data, including Community Housing Assistance Strategy (CHAS) special computations from the 2000 Census;
- Employment information from the Colorado Department of Labor and Employment (2000), the US Bureau of Economic Analysis, the Denver Regional Council of Governments (DRCOG), and the Center for Business and Economic Forecasting (CBEF);

- Fair Market Rent information as published by the U.S. Department of Housing and Urban Development for 2002;
- Area Median Income for Jefferson County – U. S. Department of Housing and Urban Development, 2003;
- Jefferson County Assessor's Office information on sales transactions;
- Interviews with Service Providers, area employers and Economic Development Staff; and,
- Quarterly Denver Metro Apartment Vacancy Survey studies.

ARVADA – 2000 CENSUS HIGHLIGHTS

- Arvada has a very high homeownership rate – 75.7 percent, which is consistent with the percentage of single-family homes (72 percent), since single-family homes tend to be occupied by owners.
- There is a very high occupancy rate – 98 percent, which is up from 1990.
- There is a fairly high concentration of seniors – 18 percent of all households have a person age 62 or older. 19 percent of owners and 16 percent of renters have a person age 62 or older.
- The average household size is larger than typically seen in other metro communities (2.6 persons), although size has declined slightly since 1990.
- There is a high percentage of families – 71.1 percent of all households. For comparison, it is 56.9 percent in Golden.
- 72 percent of the housing stock are single-family homes and there are very few mobile homes – only 24 units, or less than 1 percent of the housing stock.
- The 1960's were a busy period in Arvada, but the '70s really boomed. Over one-third of homes in Arvada were built in the '70s.
- The city did not grow as fast as the state during the 1990's. The population in the state increased 22 percent compared to 15 percent in Arvada.

Housing Profile 2000 Census Arvada - Pop. 102,153

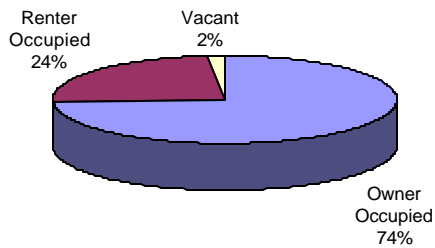
Housing Unit Estimates and Physical Characteristics

Use/Tenure

	#	%
Housing Units	39,733	100%
Occupied as primary home	39,019	98%
Owners*	29,527	76%
Renters*	9,492	24%
Vacant	714	2%
Seasonal/recreational use	55	.1%

* Percent of occupied units, not total units.

Occupancy



Type of Structure

	#	%
Single-Family	28,524	72%
Multi-Family	11,075	28%
Mobile Homes	24	.1%

Units in Structure

	#	%
1-unit, detached	28,524	72%
1-unit, attached	2,838	7%
2 units	431	1%
3 or 4 units	1,290	3%
5 to 9 units	1,333	3%
10 to 19 units	2,024	5%
20 or more units	3,148	8%
Mobile home	24	.1%
Boat, RV, van, etc.	11	0%

Overcrowding/Occupants per Room

	#	%
1.00 or less	38,186	98%
1.01 to 1.50	456	1%
1.51 or more	272	.7%
Overcrowded	728	2%

Type of Heat

	#	%
Utility gas	33,137	85%
Bottled, tank, or LP gas	225	.6%
Electricity	5,211	13%
Wood	23	.1%
Solar energy	9	0%
Other fuel/none	309	.7%

Year Structure Built

	#	%
1999 to March 2000	694	2%
1995 to 1998	2,714	7%
1990 to 1994	2,399	6%
1980 to 1989	5,997	15%
1970 to 1979	13,604	34%
1960 to 1969	8,285	21%
1940 to 1959	5,221	13%
1939 or earlier	709	2%

Year Moved Into Current Residence

	#	%
1999 to March 2000	7,072	18%
1995 to 1998	11,995	31%
1990 to 1994	7,147	18%
1980 to 1989	5,589	14%
1970 to 1979	4,271	11%
1969 or earlier	2,840	7%

Household Demographics

Household Size

	Total	Owners	Renters
Avg. Persons/Unit	2.6	2.7	2.3

Persons Per Unit

	Owners		Renters	
	#	%	#	%
1-person	5,377	18.2%	3,624	38.2%
2-person	10,955	37.1%	2,571	27.1%
3-person	5,135	17.4%	1,444	15.2%
4-person	4,995	16.9%	1,051	11.1%
5-person	2,048	6.9%	518	5.5%
6-person	682	2.3%	184	1.9%
7+ person	335	1.1%	100	1.1%
Total	29,527	100%	9,492	100%

Bedrooms Per Housing Unit

	#	%
No bedroom	579	1.5%
1 bedroom	3,222	8.1%
2 bedrooms	8,563	21.6%
3 bedrooms	13,719	34.6%
4 bedrooms	10,332	26.1%
5 or more bedrooms	3,208	8.1%

Senior Households

Age of Householder	Owners	Renters	Total
65 to 74 years	3,491	494	3,985
75 to 84 years	1,773	577	2,350
85 years and over	294	448	742
Total	5,558	1,519	7,077
% of Households	18.8%	16.0%	18.1%

Households with Children

	#	%
Total	39,019	100%
With one or more persons <18	14,369	37%
Married-couple family	10,634	27%
Single parent family	3,592	9%
Nonfamily households	143	.4%

Race/Ethnicity

	#	%
White	36,501	94%
Black or African Amer.	211	.5%
Am. Indian/Alaska Native	215	.6%
Asian	636	2%
Hawaiian/ Pacific Islander	22	.1%
Some other race	923	2%
Two or more races	511	1%
Hispanic or Latino	2,804	7%

Household Type

	Owners	Renters	Total	%
Total	29,527	9,492	39,019	100%
Family households	22,951	4,808	27,759	71%
Married-couple	19,735	2,700	22,435	58%
Male householder/ no wife	961	585	1,546	4%
Female householder/ no husband	2,255	1,523	3,778	10%
Nonfamily households	6,576	4,684	11,260	29%
Male householder	2,760	2,392	5,152	13%
Living alone	1,072	1,716	3,788	10%
Not living alone	688	676	1,364	4%
Female householder	3,816	2,292	6,108	16%
Living alone	3,305	1,908	5,213	13%
Not living alone	511	384	895	2%

Age Distribution

Age of Householder	Owners	Renters	Total	%
15 to 24 years	268	1,178	1,446	4%
25 to 34 years	3,259	2,505	5,764	15%
35 to 44 years	7,702	2,262	9,964	26%
45 to 54 years	7,704	1,356	9,060	23%
55 to 64 years	5,036	672	5,708	15%
65 to 74 years	3,491	494	3,985	10%
75 to 84 years	1,773	577	2,350	6%
85 years and over	294	448	742	2%

Income, Housing Costs and Affordability

1999 Median Incomes

	Median in 1999
Household Income	\$55,541
Owner Households	\$62,907
Renter Households	\$32,988
Family Income	\$63,273
Per Capita Income	\$24,679

2003 Median Family Income – Jefferson County

	50%	80%	100%
1 person	\$24,450	\$39,150	\$48,900
2 person	\$27,950	\$44,750	\$55,900
3 person	\$31,450	\$50,350	\$62,900
4 person	\$34,950	\$55,900	\$69,900
5 person	\$37,750	\$60,400	\$75,500
6 person	\$40,550	\$64,850	\$81,100

Change - Median Family Income, 1999–2003

1999	2003	% Change
\$67,310	\$69,900	3.8%

Income Distribution

	Owners	Renter	Total	%
Less than \$5,000	218	396	614	2%
\$5,000 to \$9,999	347	776	1,123	3%
\$10,000 to \$14,999	588	761	1,349	4%
\$15,000 to \$19,999	739	804	1,543	4%
\$20,000 to \$24,999	900	747	1,647	4%
\$25,000 to \$34,999	2,557	1,585	4,142	11%
\$35,000 to \$49,999	4,850	1,822	6,672	17%
\$50,000 to \$74,999	7,803	1,775	9,578	25%
\$75,000 to \$99,999	5,512	503	6,015	16%
\$100,000 - \$149,999	4,331	269	4,600	12%
\$150,000 or more	1,549	82	1,631	4%

Percent Income Spent on Housing

	Owners	Renters	Total
<15%	9,209	1,092	10,294
15 to 19%	4,937	1,657	6,594
20 to 24%	4,140	1,301	5,441
25 to 29%	2,947	1,396	4,343
30 to 34%	1,793	947	2,740
35+%	4,106	2,758	6,864
Not computed	107	356	463
% Cost Burdened	22%	39%	26%
# Cost Burdened	5,899	3,705	9,604

Median Housing Prices/Costs

	2000
Value – Owner Occupied	\$174,800
Mortgage	\$1297
Gross Rent	\$714
Contract Rent	\$654

Value of Owner-Occupied Units

	#	%
Less than \$50,000	24	.1%
\$50,000 to \$99,999	607	2.2%
\$100,000 to \$149,999	6,815	25.0%
\$150,000 to \$199,999	10,820	39.7%
\$200,000 to \$299,999	6,763	24.8%
\$300,000 to \$499,999	2,011	7.4%
\$500,000 to \$999,999	177	.6%
\$1,000,000 or more	15	.1%

Mortgage Payment

	#	%
Less than \$300	54	.2%
\$300 to \$499	457	1.7%
\$500 to \$699	1,207	4.4%
\$700 to \$999	4,697	17.2%
\$1,000 to \$1,499	9,153	33.6%
\$1,500 to \$1,999	4,343	15.9%
\$2,000 or more	1,723	6.3%
With a mortgage	21,634	79.4%
Not mortgaged	5,598	20.6%

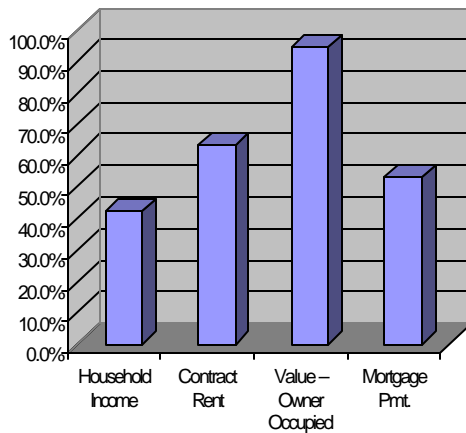
Gross Rent

	#	%
Less than \$200	409	4%
\$200 to \$299	187	2%
\$300 to \$499	683	7%
\$500 to \$749	4003	42%
\$750 to \$999	2044	22%
\$1,000 to \$1,499	1629	17%
\$1,500 or more	364	4%
No cash rent	188	2%

Trends and Comparisons

	1990	2000	% Change
Housing Units & Households			
# Housing Units	34,541	39,733	15%
# Occupied Housing Units	32,744	39,019	19%
Recreational	29	55	90%
Total Vacant	1,797	714	-60%
Homeownership Rate	73%	76%	4%
Household Size			
Renters	2.38	2.3	-3%
Owners	2.83	2.7	-5%
Overcrowded Units	545	728	34%
Affordability			
Cost Burdened Households #	7,917	9,604	21%
Cost Burdened Households %	26%	26%	2%
Median Incomes			
Household Income	\$39,014	\$55,541	42%
Family Income	\$43,771	\$63,273	45%
Per Capita Income	\$15,642	\$24,679	58%
Median Housing Costs			
Contract Rent	\$400	\$654	64%
Value – Owner Occupied	\$89,900	\$174,800	94%
Mortgage Pmt.	\$847	\$1,297	53%

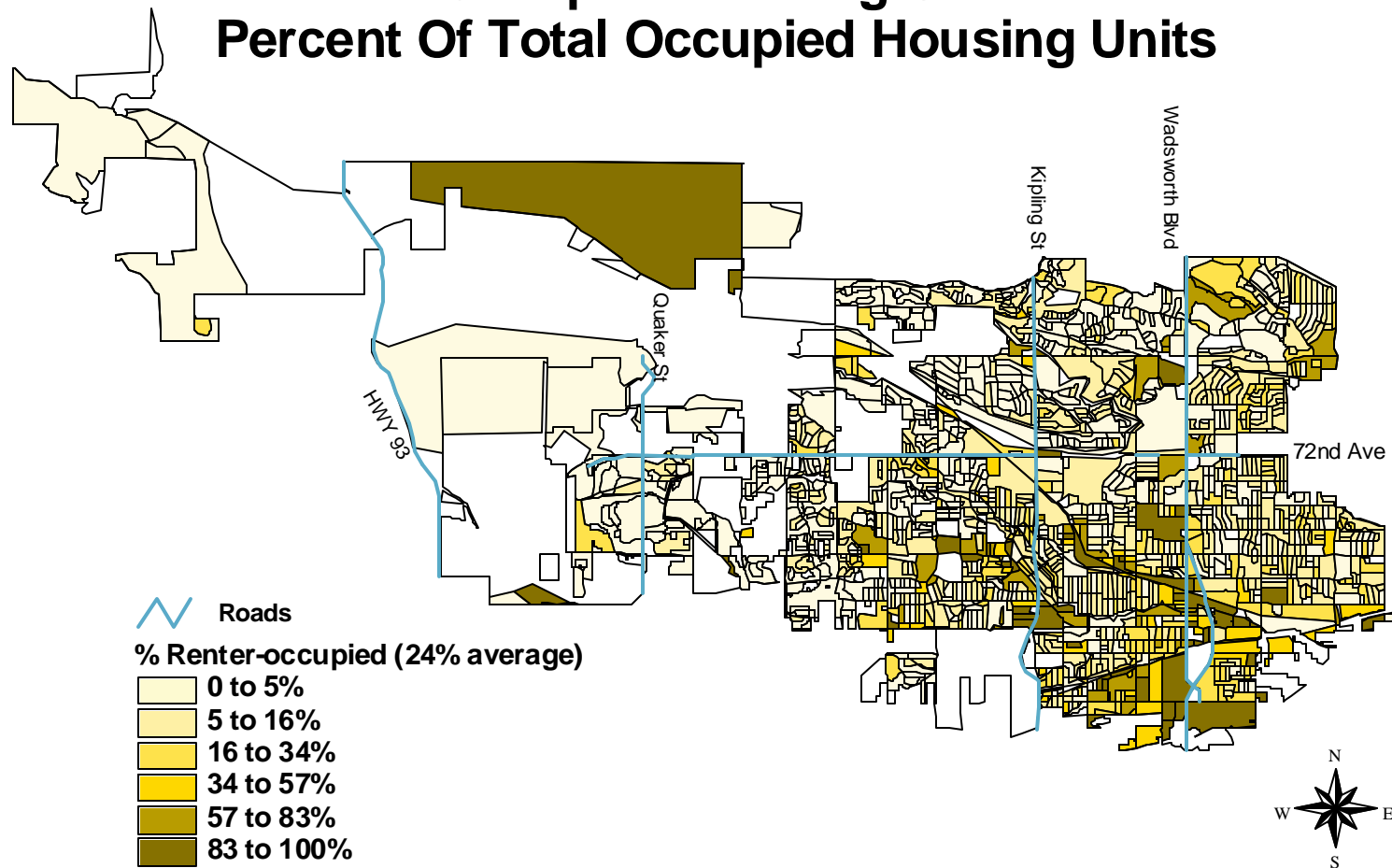
% Increase, 1990 – 2000



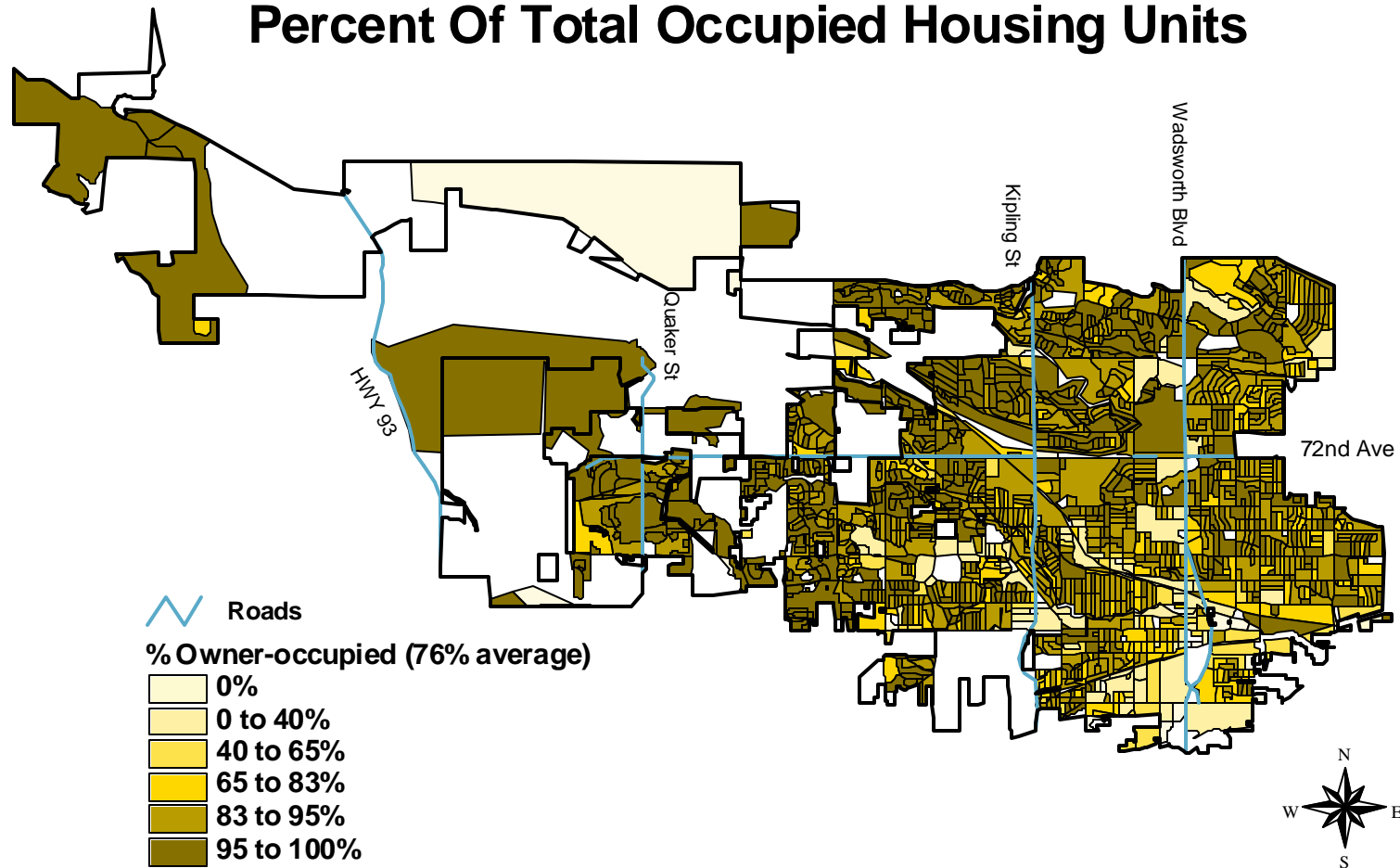
Comparison to State of Colorado

	State of Colorado	Arvada
Owner Occupied Units	67%	76%
Renter Occupied Units	33%	24%
Value – Owner Occupied	\$160,100	\$174,800
Mortgage, Median	\$1,197	\$1,297
Contract Rent, Median	\$611	\$654
Household Income	\$47,203	\$55,541
Family Income	\$55,883	\$63,273
Change in Household Income, 1990 - 2000	57%	42%
% Cost Burdened	29%	26%
Residential Growth Rate, 1990 - 2000	22%	15%

ARVADA - Block Level Renter-Occupied Housing Units As A Percent Of Total Occupied Housing Units

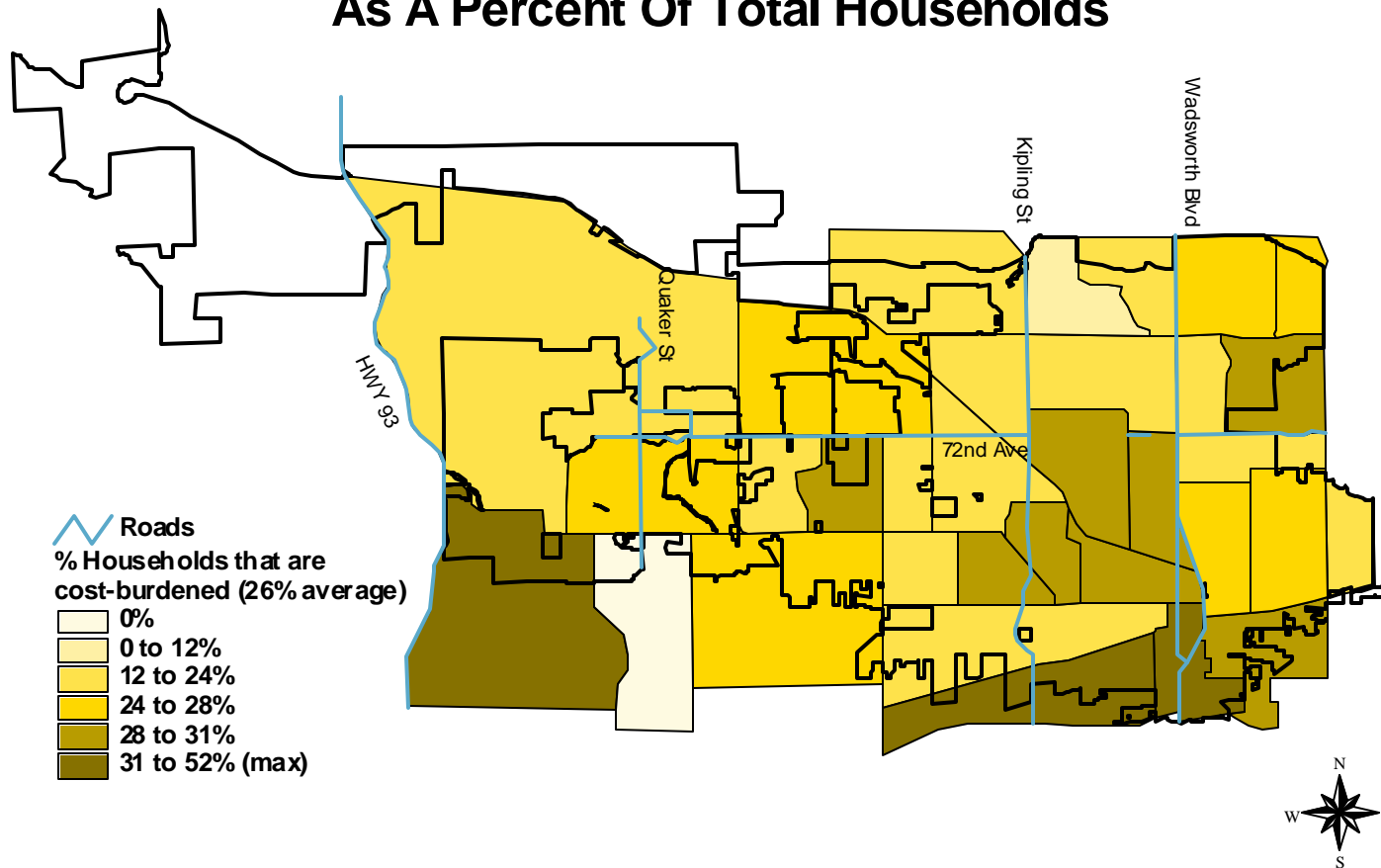


ARVADA - Block Level Owner-Occupied Housing Units As A Percent Of Total Occupied Housing Units



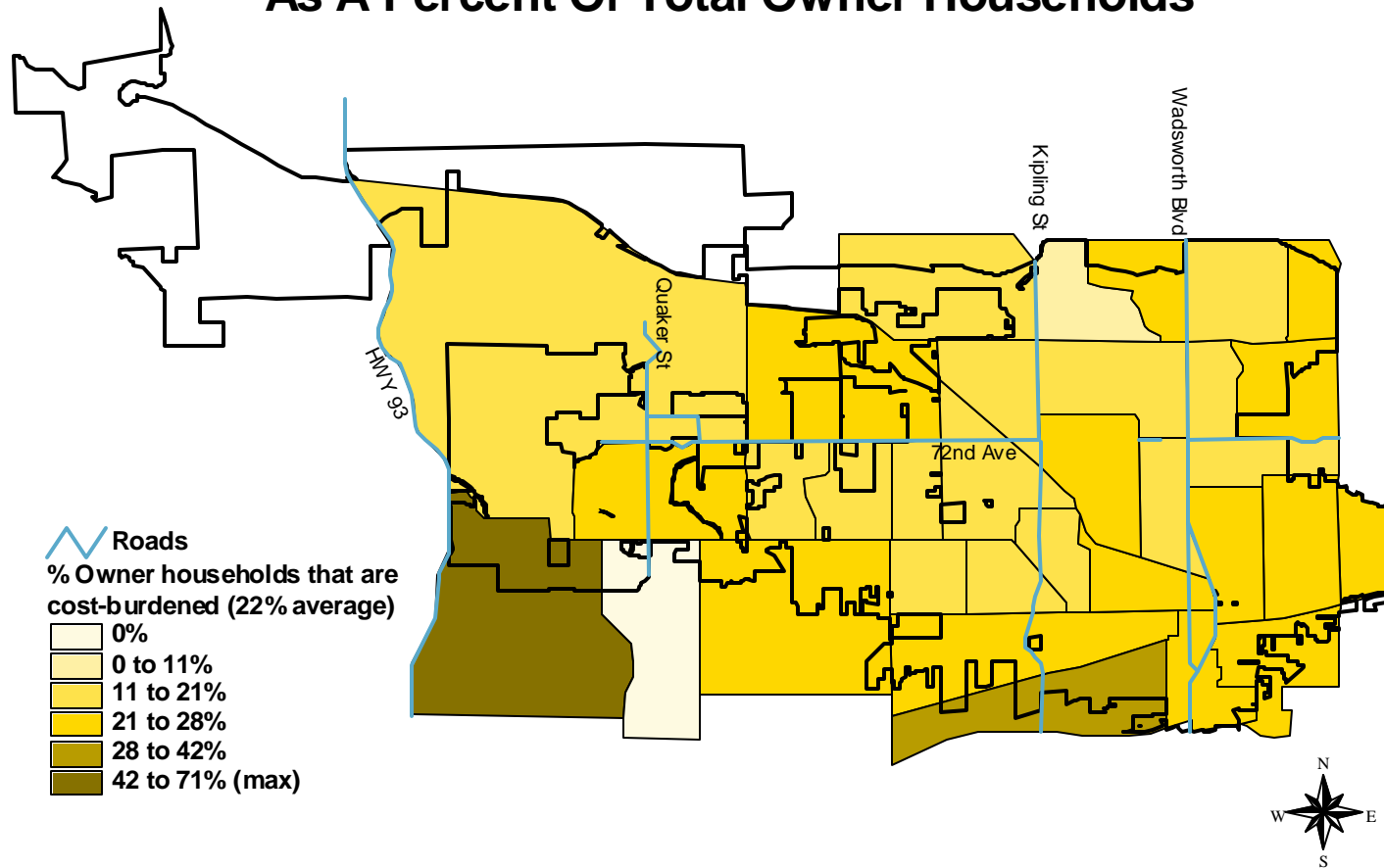
Source: Census 2000; Co. Dept. of Local Affairs; City of Arvada

ARVADA - Census Tract Level Cost-Burdened Households As A Percent Of Total Households



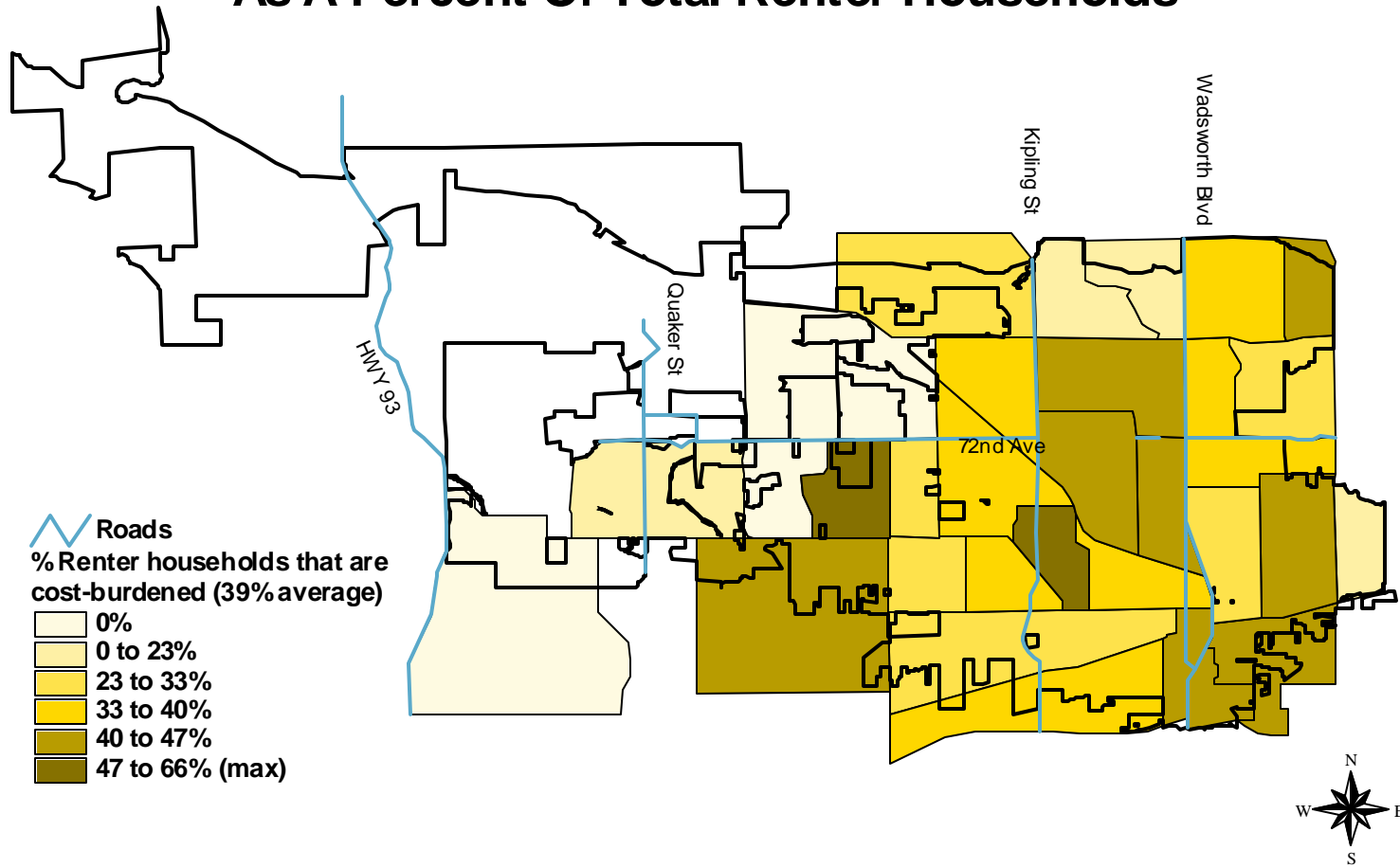
Source: Census 2000; City of Arvada

ARVADA - Census Tract Level Cost-Burdened Owner Households As A Percent Of Total Owner Households



Source: Census 2000; City of Arvada

ARVADA - Census Tract Level Cost-Burdened Renter Households As A Percent Of Total Renter Households



Source: Census 2000; City of Arvada

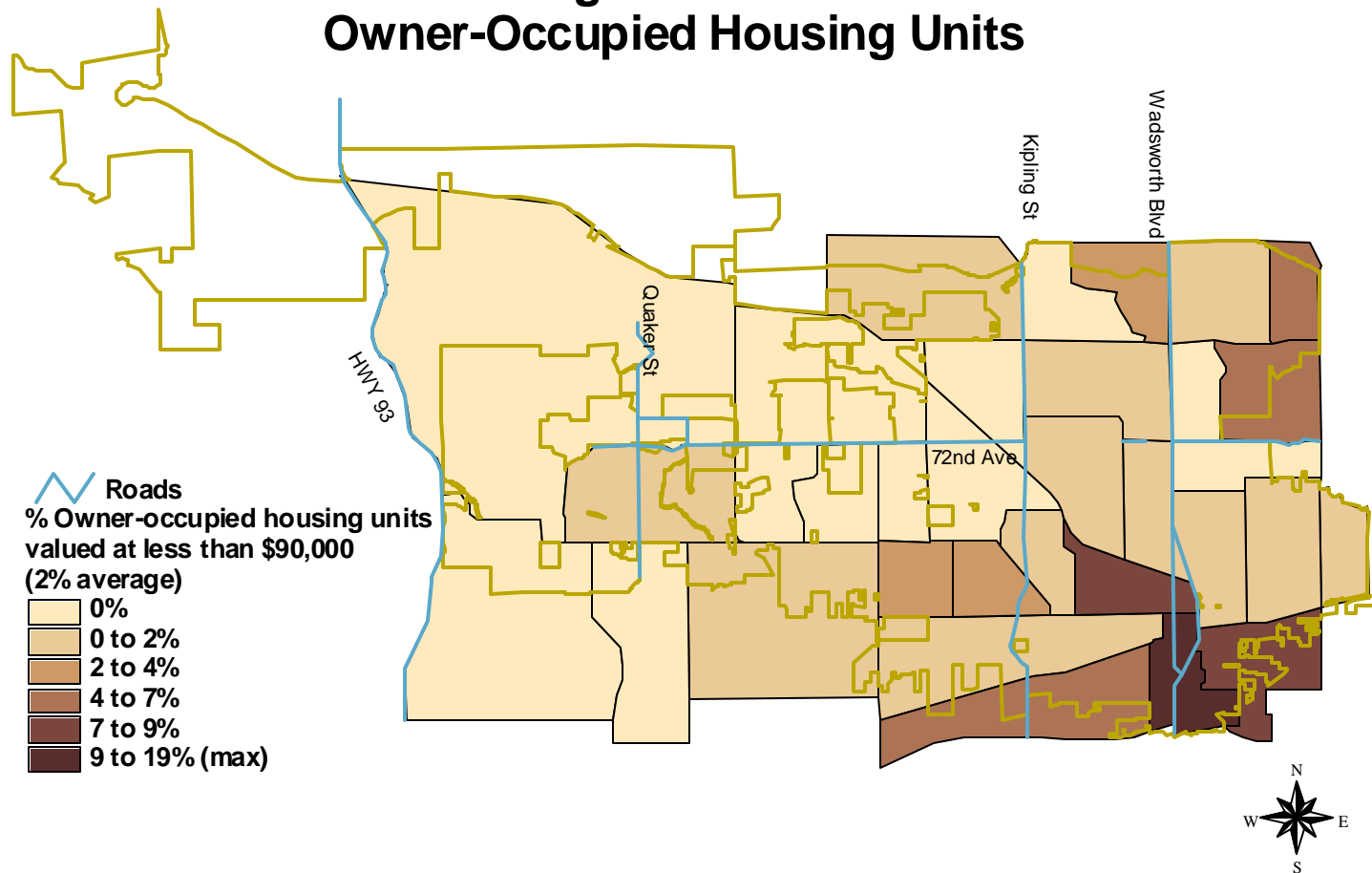
The following tables use these values for owner occupied units:

VALUE OF OWNER-OCCUPIED HOUSING UNITS

Median value = \$174,800

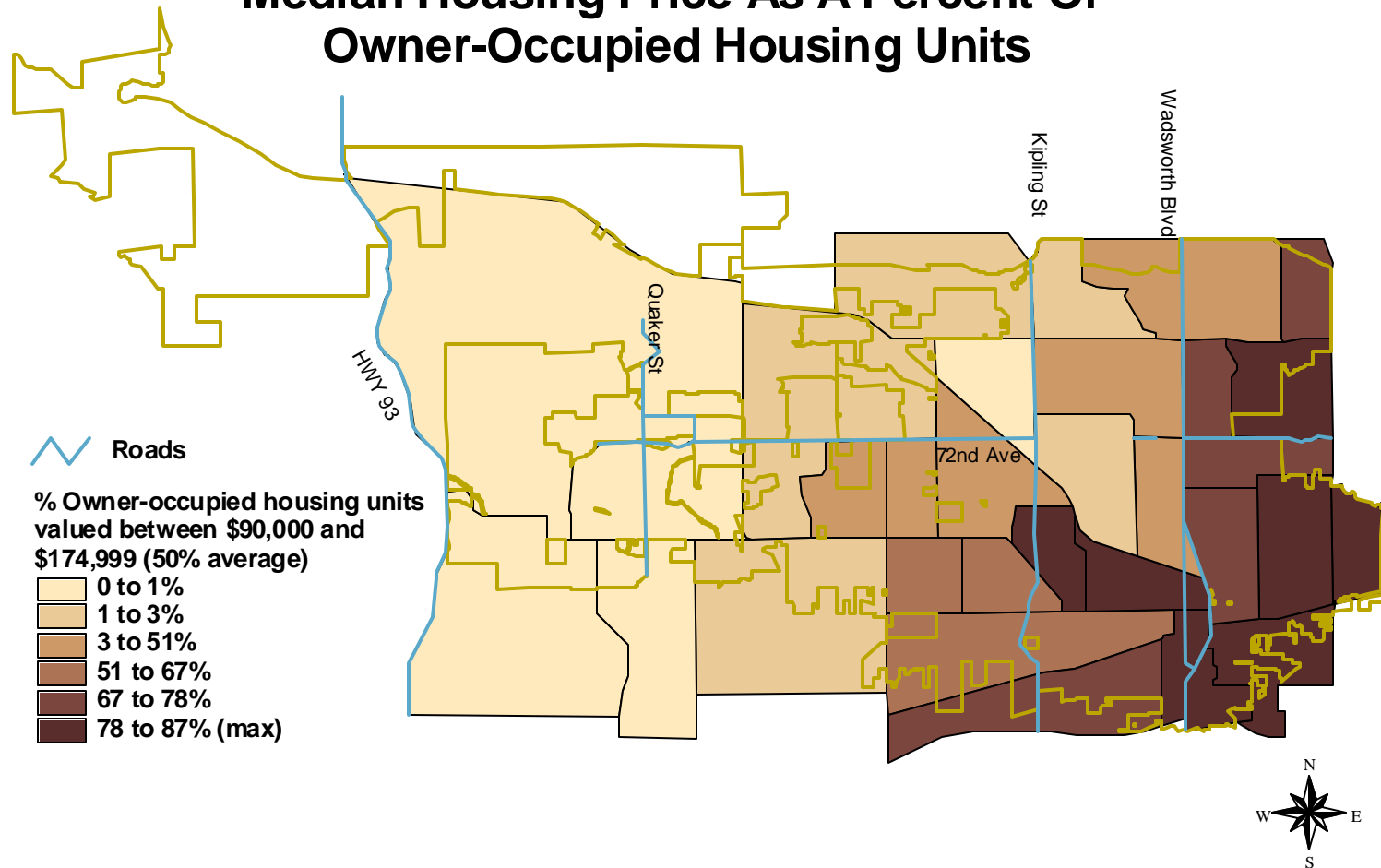
- A. Valued less than 50% median housing value (less than \$90,000)**
- B. Valued between 50% and 100% median housing value (\$90,000 to \$174,999)**
- C. Valued between 100% and 150% median housing value (\$175,000 to \$299,999)**
- D. Valued over 150% median housing value (over \$300,000)**

ARVADA - Census Tract Level Housing Units Valued At Less Than 50% Of The Median Housing Price As A Percent Of Owner-Occupied Housing Units



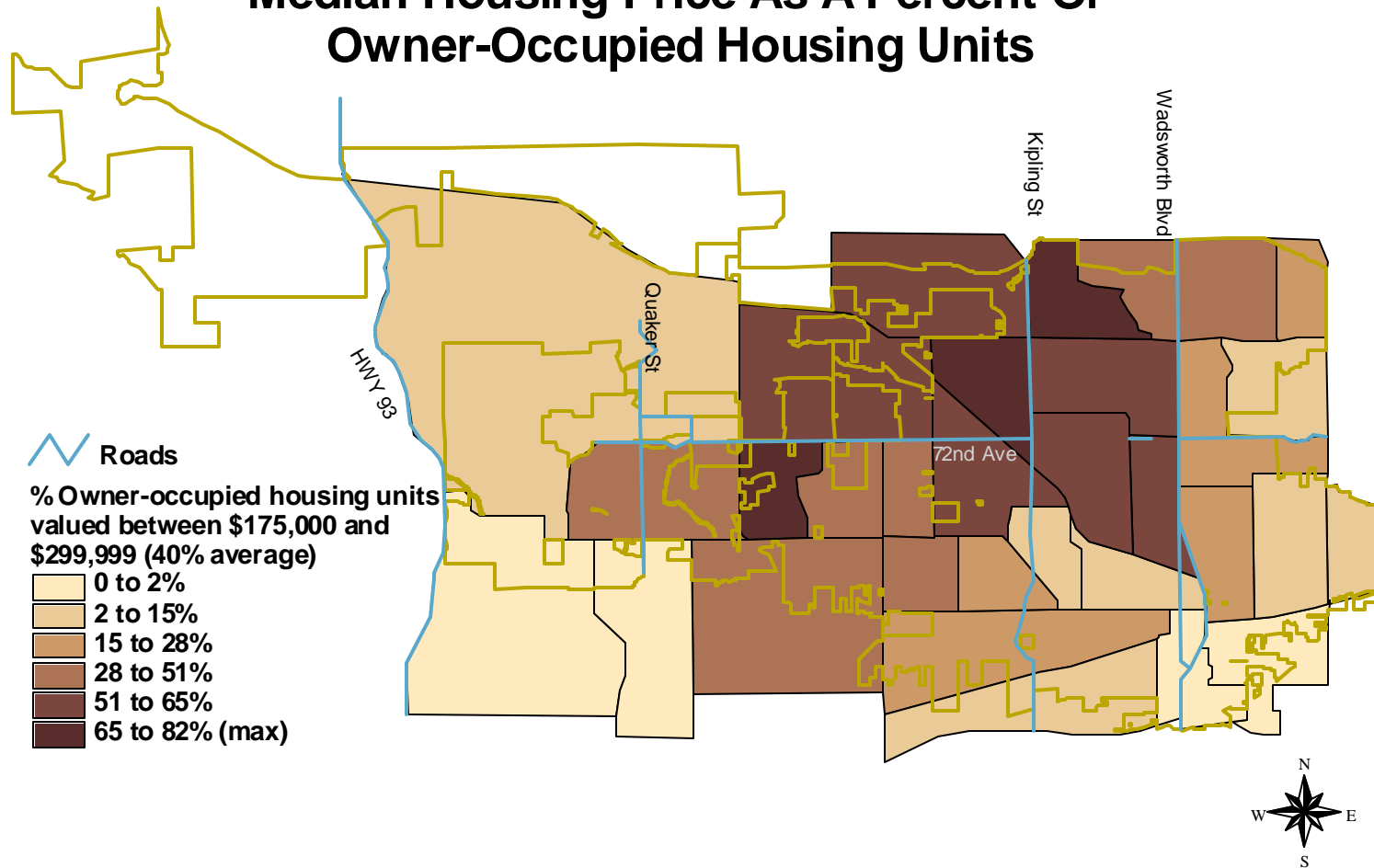
Source: Census 2000; City of Arvada

ARVADA - Census Tract Level Housing Units Valued Between 50% to 100% Of The Median Housing Price As A Percent Of Owner-Occupied Housing Units



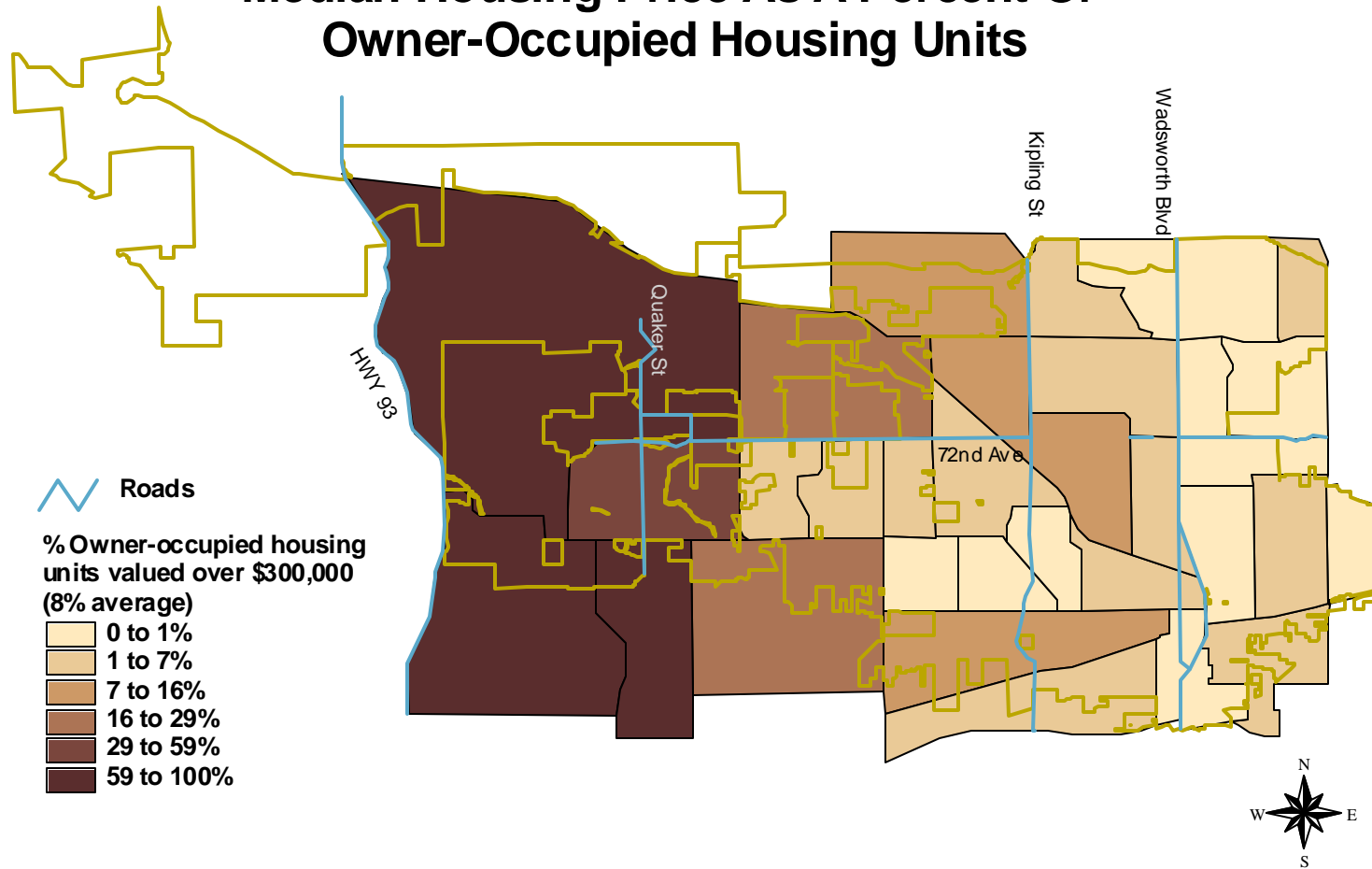
Source: Census 2000; City of Arvada

ARVADA - Census Tract Level Housing Units Valued Between 100% to 150% Of The Median Housing Price As A Percent Of Owner-Occupied Housing Units



Source: Census 2000; City of Arvada

ARVADA - Census Tract Level Housing Units Valued Over 150% Of The Median Housing Price As A Percent Of Owner-Occupied Housing Units



Source: Census 2000; City of Arvada

ARVADA – OVERALL SURVEY HIGHLIGHTS

- About one-third of those interested in buying a home care more about finding a place to buy in their price range than any other factor, including buying a new home, older home in good condition or fixer-upper.
- Owners that want to buy are most likely to want to live in a more rural setting (33 percent). This was higher for Arvada than all of Jefferson County.
- The overall cost of housing is affecting the decision to buy among renters in Arvada. Close to one-third thought it was cheaper to rent. Close to half indicated they have not purchased yet due to high down payment requirements. Close to one-third of all potential buyers indicated they “would definitely consider” a down payment assistance program. Among renters who want to buy, about 47 percent stated they “can’t qualify for a loan”; this is significantly higher than all renters in Jefferson County.
- Renters have also been discouraged from purchasing due to “total cost,” “cheaper to rent” and “lack of housing choice,” more so than in the County as a whole. Given that about 72 percent of the housing stock is single-family and about one-half of the occupied rental units are apartments, this suggests that townhomes and condominiums may be a needed product in Arvada for first-time buyers. Given the concern over cost, more entry-level priced housing (single-family and attached) may also be desired.
- Arvada respondents have fewer incidents of being behind in their housing payment than the County as a whole.
- Residences are in better condition on average (80 percent were rated as good or excellent) than in Jefferson County as a whole. Despite this, about 40 percent of respondents “would definitely consider” a low interest rehabilitation loan.
- Arvada respondents were more likely than any other profiled community to feel that housing is not a problem in Jefferson County (21 percent).
- Close to one-quarter of working residents are employed in Arvada and another 24 percent are employed in Denver. The types of jobs held by Arvada residents closely follow the pattern for Jefferson County as a whole, except that there are a slightly higher percentage of residents noting Social Security and retirement as their primary sources of income.
- The community generally agrees with the concept that essential workers should be able to live in the community in which they work, as should seniors. A variety of rental and for-sale housing for employees was also viewed as important.

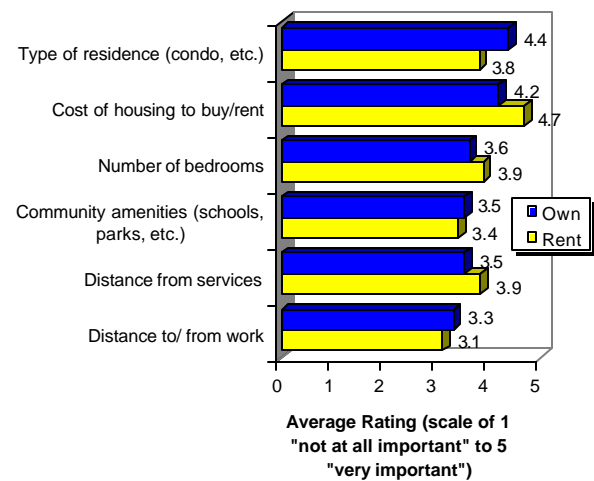
Survey Profile 2003 Arvada - 39,019 Households

Housing Preferences

Would You Prefer To:

	Jefferson County	Arvada
Buy new home that is smaller than an old home for same price	18%	18%
Buy older home in good condition that costs less than a new home of the same size	45%	39%
Purchase a fixer-upper that costs less than new or older home	11%	12%
No preference as long as the residence is in my price range	27%	32%

"How important are the following factors to you when deciding on a residence?" Arvada



Owners

Want to Buy a Different Home?

	Jefferson County	Arvada
Yes	28%	24%
No	72%	76%

Why Do You Want to Buy a Different Home?

	Jefferson County	Arvada
To live in a more rural setting	24%	33%
Other reason	26%	31%
To find a larger home	37%	30%
To live in a different community	21%	23%
To find a smaller home	16%	16%
To be closer to work	9%	11%
To find a single-family residence	11%	6%
To find an attached residence	8%	3%
To live closer to city/town services	3%	2%

Renters

Want to Buy a Home?

	Jefferson County	Arvada
Yes	87%	85%
No	13%	15%

Why Have You Not Bought a Home?

	Jefferson County	Arvada
High down payment requirement	49%	59%
Housing in my price range not available where I want to live	43%	47%
Can't qualify for a loan	41%	47%
Total cost	40%	47%
Cheaper to rent	21%	31%
Lack of housing choice (e.g. no single-family homes)	14%	22%
Other	12%	13%

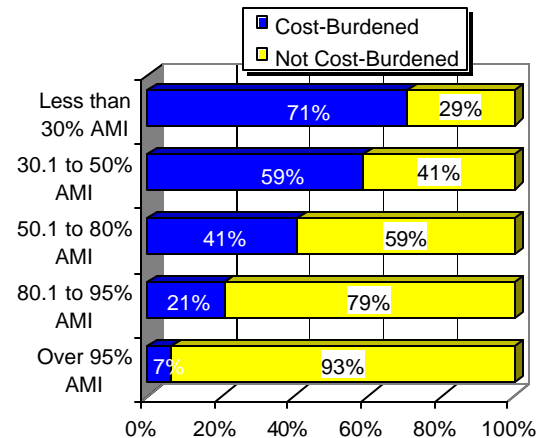
Households By AMI

AMI Distribution of Households

AMI Range	Jefferson County	Owner	Arvada Renter	Total
30% or less	7%	3%	20%	7%
30.1% to 50%	8%	6%	16%	8%
50.1% to 80%	18%	16%	27%	19%
80% to 95%	9%	10%	11%	10%
Over 95%	58%	65%	27%	56%
	100%	100%	100%	100%
Total	206,067	29,527	9,492	39,019

Source: 2000 Census; CHAS

Cost-Burdened Households by AMI Arvada



Housing Problems

Behind in Payments During Last 2 Years

	Jefferson County	Arvada
Never	89%	93%
1 to 3 times	7%	6%
4 or more times	5%	1%

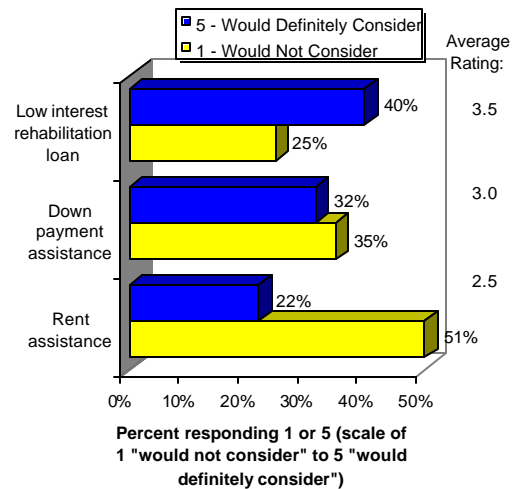
Condition of Home

	Jefferson County	Arvada
Good or Excellent	76%	80%
Fair (needs repairs <\$5K)	19%	17%
Poor (needs repairs \$5 - \$10K)	3%	2%
Very Poor (needs repairs >\$10K)	2%	1%

Home repairs completed within last 3 years

	Jefferson County	Arvada
Other	34%	39%
Kitchen	27%	29%
Plumbing	27%	27%
Furnace	22%	21%
Electrical	19%	19%
Basement finish/refinish	12%	18%
Roof	15%	13%
Additions	7%	5%
NONE	23%	21%

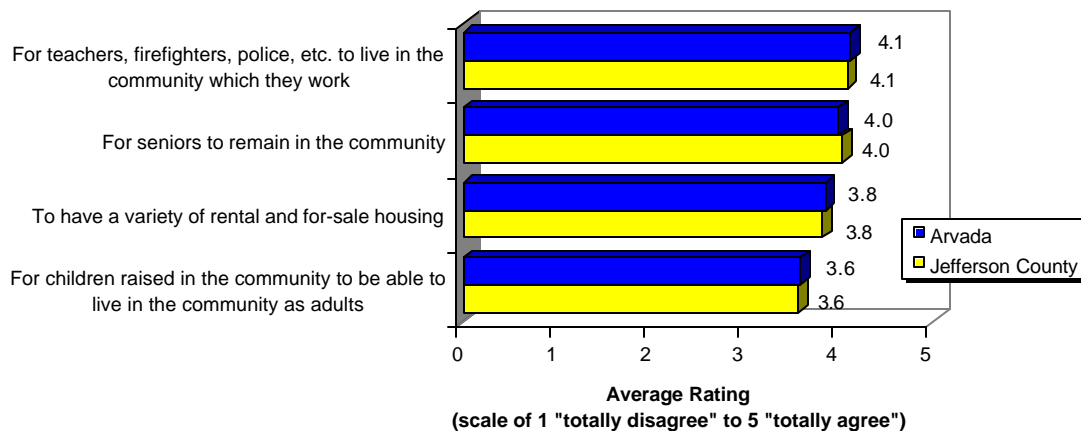
“Which of the following types of help with housing would you consider?” - Arvada



Extent to Which Housing is a Problem in Jefferson County

	Jefferson County	Arvada
It is the most critical problem	7%	7%
One of the more serious problems	30%	22%
A problem among others needing attention	35%	31%
One of our lesser problems	15%	18%
I don't believe it is a problem	13%	21%

“Do you agree that it is important...”



Employment

Employment Status of Adults

	<i>Jefferson County</i>	<i>Arvada</i>
Employed by others	54%	50%
Retired	18%	21%
Self employed	13%	13%
Homemaker	5%	6%
Unemployed	5%	5%
Student	4%	5%

Primary source of income of adults

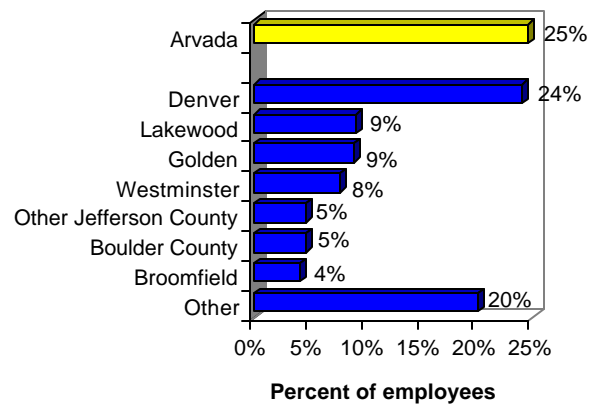
	<i>Jefferson County</i>	<i>Arvada</i>
Professional services (legal, etc.)	19%	18%
Retirement income	12%	17%
Other	12%	12%
Social Security	9%	11%
Government	9%	8%
Service	7%	7%
Health care services	7%	6%
Construction	5%	6%
Retail	6%	6%
Manufacturing	4%	4%
Personal services (car repair, etc.)	5%	3%
Agriculture/ food	2%	2%
Unemployment	2%	1%
TANF	0%	1%

Have you or anyone in your household been laid off in the last year?

	<i>Jefferson County</i>	<i>Arvada</i>
None	84%	87%
Self only	8%	6%
Other employed adult(s) only	5%	6%
Self and other employed adult(s)	3%	1%

<i>Employees per Household</i>	1.3	1.3
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Where Employed Residents of Arvada Work



Arvada – Survey Highlights (Owners and Renters)

- About one-third of owners and renters have no preference regarding the age of a home they are looking to purchase, as long as the residence is in their price range. Owners are more likely to prefer purchasing a new home (22 percent) than renters (11 percent) and renters are more likely to prefer a fixer-upper that costs less than a new or older home in good condition (22 percent) than owners (6 percent).
- Of those looking to move out of Arvada, owners are generally looking to live in a more rural setting, to have more acreage/larger yard and to find housing that they can afford that suits their needs. Renters want to live closer to parks and open space, live in a more rural setting, find more acreage/larger yard, find suitable housing they can afford, be closer to work and be closer to family. Very few are looking to move to live in a safer neighborhood (9 percent owners; 0 percent renters).
- When deciding on a residence, renters are most concerned with the cost of housing to buy or rent, the number of bedrooms and the distance from services. Owners are most concerned with the type of residence, followed by the cost of housing to buy or rent and the number of bedrooms.
- Owners that want to buy are more likely to want to live in a more rural setting (33 percent) when compared to other owners in Jefferson County. Other reasons that Arvada owners want to buy that are similar to those reasons given for Jefferson County as a whole include finding a larger home (30 percent) and living in a different community (23 percent). About 16 percent of owners would like to find a smaller home.
- Renters that want to buy have not bought primarily because of the high down payment requirement. About 61 percent of renters indicated they “would definitely consider” a down payment assistance program. Of potential concern is that about 47 percent of renters stated they “can’t qualify for a loan,” which is higher than was found in all of Jefferson County.
- Renters have also been discouraged from purchasing due to “total cost,” “cheaper to rent” and “lack of housing choice” more so than other Jefferson County renters. Given that about 72 percent of the housing stock is single-family and about one-half of the occupied rental units are apartments, this may indicate a need for more attached units. Given the concern over cost, more entry-level priced housing (single-family and attached) may also be needed.
- A very high percentage of owners earning less than 30 percent AMI are cost-burdened (81 percent), particularly compared to Jefferson County households as a whole (74 percent) and renters in Arvada (65 percent).
- Renters earning less than 50 percent of AMI are much more likely to be cost-burdened than higher income renter households, indicating that more units affordable to these low income households may be needed. Owners earning

between 50.1 percent and 95 percent of AMI are more likely to be cost-burdened than renters earning in the same range, indicating the availability of affordable entry-level housing to purchase is more scarce than affordable rentals for these households.

- Renters are more likely to have had at least one late housing payment in the past two years than owners. Renters are also much more likely to “definitely consider” help with housing in the form of rehabilitation loans, down payment assistance, and rent assistance than owners.
- A relatively high percentage of owners “would definitely consider” a low-interest rehabilitation loan (37 percent), although 81 percent of their housing is reported to be in “good” or “excellent” condition.
- Renters and owners report that their housing is in good to excellent condition (about 80 percent each). In contrast, a much lower percentage of Jefferson County rental units are reported to be in good or excellent condition (65 percent) than owner occupied units (81 percent).
- Renters are more likely than owners to feel that housing is the most critical problem or one of the most serious problems in Arvada, which is fairly common in communities. However, a similar percentage of owners and renters do not believe that housing is a problem (21 percent owners; 18 percent renters).
- Both owners and renters generally feel that it is important for community service employees to be able to live in their place of employment (fire fighters, teachers, etc.), for seniors to remain in the community, to have a variety of housing options for renters and buyers and for children raised in the community to be able to live in the community as adults. Renters overall placed much more emphasis on having a variety of housing options and on community service employees being able to live in their place of employment than owners.
- Renters were more likely than owners to have had at least one household worker laid off in the last year (24 percent renters versus 10 percent owners).
- Of household members that work, a larger percentage of renters work within Arvada (30 percent) than owners (24 percent) and a similar percentage of owners and renters work in Denver (about 24 percent each).

Survey Profile 2003 Arvada - 39,019 Households

Housing Preferences

Would You Prefer To:

	Owner	Renter
Buy new home that is smaller than an old home for same price	22%	11%
Buy older home in good condition that costs less than a new home of the same size	39%	37%
Purchase a fixer-upper for less than a new or older home	6%	22%
No preference as long as the residence is in my price range	33%	30%

"If You Are Looking To Move To A Different City Or Community, Why?"

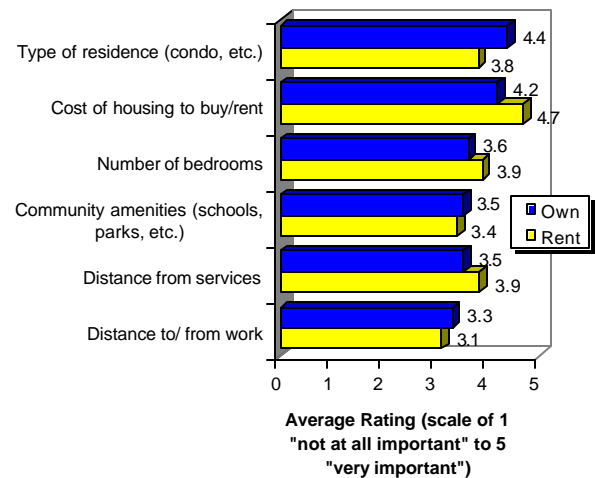
	Owner	Renter
To live in a more rural setting	44%	21%
For more acreage/larger yard	35%	21%
Can't find housing I can afford in Arvada that suits my needs	20%	21%
To live in a newer community	13%	-
To live closer to parks/open space	11%	29%
To be closer to work	11%	21%
To be closer to family	11%	21%
To live in a safer neighborhood	9%	-
Cannot find affordable senior housing in Arvada	6%	7%
To live closer to services (shopping, etc.)	2%	7%
To live in a different school district	2%	-
Other	17%	29%

Owners

Want to Buy a Different Home?

	Arvada
Yes	24%
No	76%

How important are the following factors to you when deciding on a residence?



Owners

Why Do You Want to Buy a Different Home?

	Arvada
To live in a more rural setting	33%
Other reason	31%
To find a larger home	30%
To live in a different community	23%
To find a smaller home	16%
To be closer to work	11%
To find a single-family residence	6%
To find an attached residence	3%
To live closer to city/town services	2%

Renters

Want to Buy a Home?

	Arvada
Yes	85%
No	15%

Why Have You Not Bought a Home?

	Arvada
High down payment requirement	59%
Housing in my price range not available where I want to live	47%
Can't qualify for a loan	47%
Total cost	47%
Cheaper to rent	31%
Lack of housing choice (e.g. no single-family homes)	22%
Other	13%

Comparison of Owners and Renters by AMI

AMI Distribution of Households

AMI Range	Owner	Arvada Renter	Total
30% or less	3.4%	19.7%	7.3%
30.1% to 50%	5.8%	15.8%	8.2%
50.1% to 80%	15.9%	26.5%	18.5%
80% to 95%	9.7%	11.1%	10.0%
Over 95%	65.2%	27.0%	55.9%
	100%	100%	100%
Total	29,527	9,492	39,019

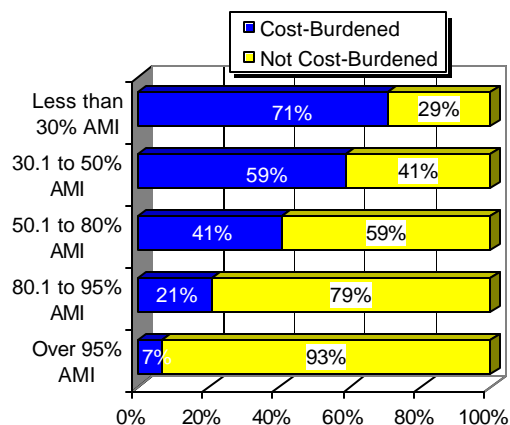
Source: 2000 Census; CHAS

Cost-Burdened Households by AMI¹

AMI Range	Owner	Renter	Total
30% or less	81.0%	65.3%	70.8%
30.1% to 50%	49.1%	70.2%	59.0%
50.1% to 80%	45.2%	32.7%	40.8%
80% to 95%	26.4%	6.2%	21.0%
Over 95%	7.1%	2.9%	6.6%
Total %	20.0%	34.1%	23.4%
Total #	5,900	3,230	9,130

¹ Indicates the percentage of owners/renters in this income range who are cost burdened.

Cost Burdened Households by AMI



Housing Problems

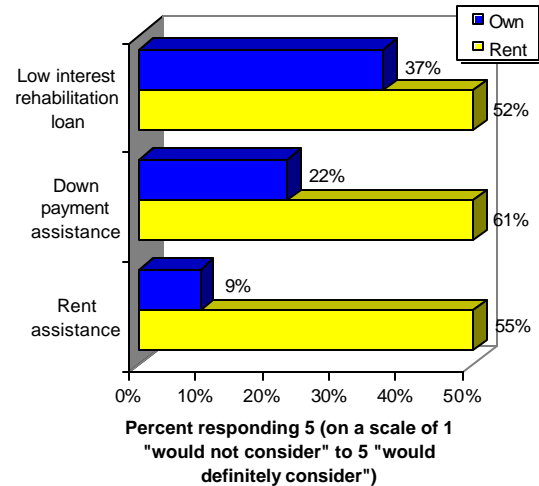
Behind in Payments During Last 2 Years

	Owner	Renter
Never	96%	82%
1 to 3 times	4%	14%
4 or more times	0%	4%

Condition of Home

	Owner	Renter
Good or Excellent	81%	80%
Fair (needs repairs <\$5K)	16%	16%
Poor (needs repairs \$5 - \$10K)	2%	4%
Very Poor (needs repairs >\$10K)	1%	-

Respondents That Would Definitely Consider the Following Types of Help With Housing



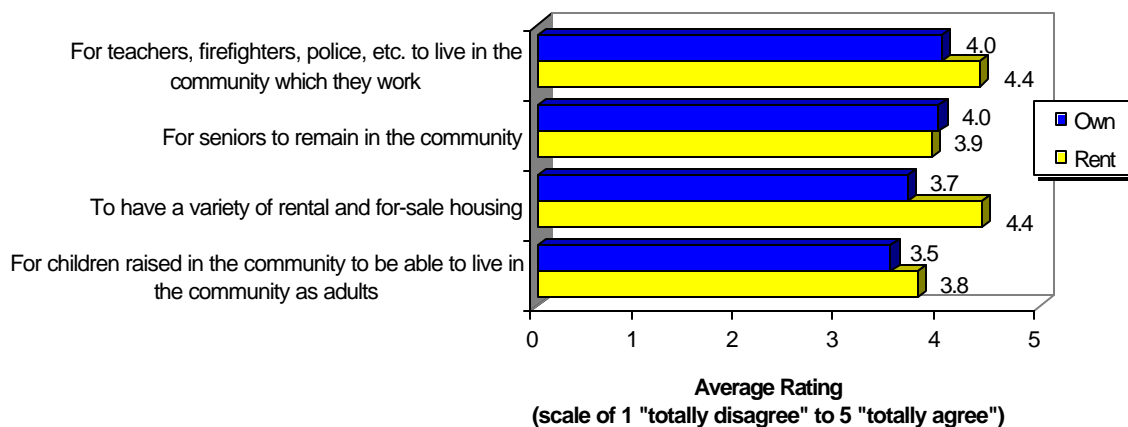
Home repairs completed within last 3 years

	Owner
Other	38%
Kitchen	29%
Plumbing	27%
Furnace	21%
Electrical	19%
Basement finish/ refinish	18%
Roof	12%
Additions	5%
NONE	21%

Extent to Which Housing is a Problem in Arvada

	Owner	Renter
It is the most critical problem	5%	15%
One of the more serious problems	21%	28%
A problem among others needing attention	32%	28%
One of our lesser problems	20%	13%
I don't believe it is a problem	21%	18%

"Do you agree that it is important..."



Employment

Employment status

	<i>Owner</i>	<i>Renter</i>
Employed by others	51%	50%
Retired	20%	24%
Self employed	13%	12%
Homemaker	7%	4%
Student	6%	-
Unemployed	4%	9%

Have you or anyone in your household been laid off in the last year?

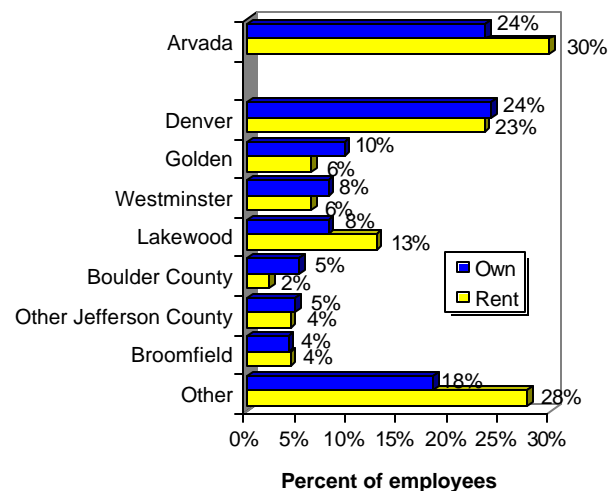
	<i>Owner</i>	<i>Renter</i>
None	90%	76%
Self only	4%	14%
Other employee only	5%	10%
Self and other employee	1%	-

<i>Employees per Household</i>	1.4	0.9
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Primary source of income

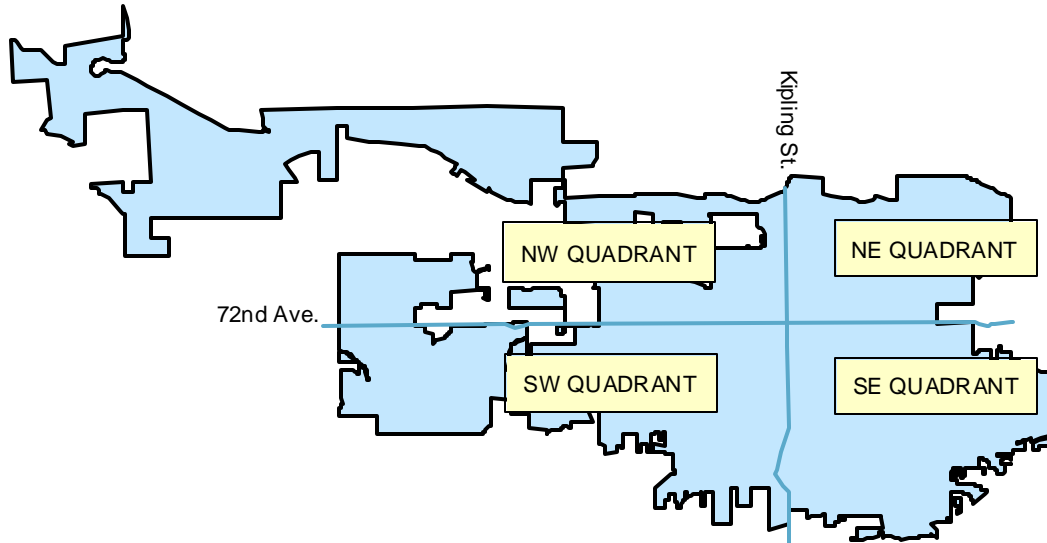
	<i>Owner</i>	<i>Renter</i>
Professional services (legal, etc.)	20%	7%
Retirement income	18%	12%
Government	9%	1%
Social Security	7%	24%
Service	7%	7%
Health care services	7%	4%
Construction	6%	4%
Retail	5%	7%
Manufacturing	3%	7%
Personal services (car repair, laundry, etc.)	2%	6%
Agriculture/ food	2%	3%
Unemployment	1%	3%
TANF	0%	1%
Other	12%	12%

Where Residents of Arvada Work



GEOGRAPHIC COMPARISON

For the housing study, the City of Arvada was divided into four primary quadrants as shown in the following map.



There are notable differences in these areas:

- Ownership is higher in the northern sections of Arvada and there is a very high percentage of couples with children in this area, particularly in the northwest area.
- Households earning less than 50% of the AMI are most likely to be found in the southeastern portion of Arvada, which corresponds to a greater percentage of adults living alone, couples without children and single-parent households.
- There is a great difference in median income among the four quadrants. The median income was the highest in the northwest area, \$89,867 and the lowest in the southeastern area (\$38,319).
- Very few households with seniors are in northwestern Arvada. Most are located in the southern portions of Arvada.
- Ethnic diversity is greatest in southeastern Arvada (18% of households are non-white) with the balance of the areas reporting 4% to 5% races other than white.
- Among potential buyers, those living in southern Arvada were most likely to want an older home in good condition (over 40%).
- Households in north and south eastern Arvada were more likely to view housing as a critical or serious problem than those living in other parts of the community.

- Owners in northeastern Arvada were more likely to make improvements associated with older homes, including new plumbing, furnaces and electrical. New additions were more common in southwest Arvada, with 29% of owners indicating they had added on to their homes in the past two years.

Geographic Comparisons

Survey Profile 2003 Arvada - 39,019 Households

Demographics

	NW	NE	SE	SW
Where respondents live	11%	19%	30%	41%

Tenure				
Own	85%	84%	57%	86%
Rent	15%	16%	42%	13%

Household Type				
Adult living alone	11%	15%	30%	15%
Couple, no children	13%	21%	9%	20%
Couple, with children	46%	25%	28%	32%
Single parent with children	6%	7%	11%	6%
Empty-Nester	19%	22%	10%	22%
Other	4%	9%	11%	6%

Households with at least one person under 18	42%	33%	34%	35%
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Households with at least one person over 65	4%	24%	30%	23%
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Ethnicity				
White	96%	95%	84%	96%
Other	4%	5%	16%	4%

Households by Area				
Median Income	NW	NE	SE	SW
30% or less AMI	5%	7%	25%	3%
30% - 60%	5%	10%	17%	17%
60% - 80%	10%	8%	11%	13%
80% to 120%	19%	27%	29%	24%
OVER 120% AMI	61%	48%	17%	43%

Median Annual Household Income	\$89,867	\$70,000	\$38,319	\$63,795
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Median Monthly Housing Payment	\$1,296	\$1,010	\$787	\$1,268
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Unit Type				
Apartment	5%	3%	23%	8%
Condominium	2%	10%	2%	2%
Townhome/ Duplex	2%	15%	8%	9%
Mobile home	2%	-	-	-
Single-family home	89%	73%	65%	80%
Other	-	-	2%	1%

Year Structure Built				
Before 1950	-	-	6%	1%
1950 - 1959	-	3%	22%	5%
1960 - 1969	6%	11%	20%	28%
1970 - 1979	40%	54%	13%	15%
1980 - 1989	19%	22%	8%	18%
1990 - 1999	24%	3%	9%	25%
2000 or later	6%	-	2%	4%
Unsure	5%	7%	21%	3%

Housing Preferences

“How important are the following factors to you when deciding on a residence?”

	NW	NE	SE	SW
Distance to/from work	3.4	3.1	3.2	3.2
Distance from services (shopping, transport, etc.)	3.7	3.6	3.7	3.5
Community amenities (schools, parks, etc.)	3.5	3.6	3.5	3.4
Cost of housing to buy/ rent	4.0	4.3	4.4	4.3
Number of bedrooms	3.4	3.7	3.8	3.6
Type of residence (single-family, condominium, etc.)	4.2	4.2	4.2	4.3

1= Not Important to 5 = Very Important

Would You Prefer To:

	NW	NE	SE	SW
Buy new home that is smaller than an old home for same price	21%	19%	5%	25%
Buy older home in good condition that costs less than a new home of the same size	24%	27%	49%	40%
Purchase a fixer-upper that costs less than new or older home	26%	3%	16%	11%
No preference as long as the residence is in my price range	29%	51%	30%	24%

“If You Are Looking To Move To A Different City Or Community, Why?”

	NW	NE	SE	SW
To live in a more rural setting	35%	38%	41%	32%
For more acreage/larger yard	28%	44%	29%	28%
Can't find housing I can afford in Arvada that suits my needs	23%	31%	4%	34%
To live in a newer community	14%	13%	32%	14%
To live closer to parks/open space	-	19%	23%	15%
To be closer to work	7%	13%	20%	9%
To be closer to family	14%	13%	15%	10%
To live in a safer neighborhood	7%	19%	11%	7%
Cannot find affordable senior housing in Arvada	7%	6%	2%	10%
To live closer to services (shopping, etc.)	7%	6%	9%	5%
To live in a different school district	-	-	10%	2%
Other	-	-	-	5%

Owners

Want to Buy a Different Home?

	NW	NE	SE	SW
Yes	29%	36%	21%	18%
No	71%	64%	79%	82%
Why Do You Want to Buy a Different Home?	NW	NE	SE	SW
To live in a more rural setting	17%	23%	50%	32%
Other reason	33%	35%	38%	32%
To find a larger home	17%	27%	31%	39%
To live in a different community	17%	23%	31%	21%
To find a smaller home	25%	15%	-	14%
To be closer to work	-	12%	-	7%
To find a single-family residence	8%	12%	6%	18%
To find an attached residence	-	8%	-	-

NOTE: The sample size for Renter Households who want to buy was too small to provide a statistically valid response by quadrant.

Housing Problems

Behind in Payments During Last 2 Years

	NW	NE	SE	SW
Never	96%	89%	87%	98%
1 to 3 times	4%	11%	11%	2%
4 or more times	-	-	2%	-

Home repairs completed within last 3 years

Other	46%	41%	46%	34%
Kitchen	33%	44%	26%	21%
Plumbing	26%	41%	30%	20%
Furnace	23%	23%	21%	18%
Electrical	15%	26%	20%	19%
Basement finish/refinish	23%	12%	16%	21%
Roof	21%	12%	11%	11%
Additions	8%	1%	9%	3%
NONE	21%	16%	11%	29%

"Which of the following types of help with housing would you consider?"

	NW	NE	SE	SW
Down payment assistance	2.5	3.2	3.2	2.9
Rent assistance	1.8	2.2	2.9	2.3
Low interest rehabilitation loan	3.0	3.5	3.6	3.4

Condition of Home

Good or Excellent	92%	84%	71%	82%
Fair (<5K)	4%	16%	24%	15%
Poor (5 to 10K)	4%	-	4%	2%
Very Poor (>10K)	-	-	1%	2%

Extent to Which Housing is a Problem in Jefferson County

It is the most critical problem	6%	14%	2%	6%
One of the more serious problems	20%	19%	25%	21%
A problem among others needing attention	20%	39%	37%	32%
One of our lesser problems	31%	13%	17%	20%
I don't believe it is a problem	23%	16%	19%	21%

"Do you agree that it is important..."

	NW	NE	SE	SW
For children raised in the community to be able to live in the community as adults.	3.5	3.7	3.5	3.6
For seniors to remain in the community.	3.7	4.2	4.0	4.0
For teachers, firefighters, police, etc. to live in the community which they work, if they so choose.	4.0	4.1	4.2	4.1
To have a variety of rental and for-sale housing available in the community for people who want to live there.	3.7	4.2	3.9	3.8

1= Not Important to 5= Very Important

Employment

Employment status

	<i>NW</i>	<i>NE</i>	<i>SE</i>	<i>SW</i>
Self employed	22%	17%	11%	10%
Employed by others	46%	49%	51%	54%
Unemployed	5%	4%	6%	5%
Homemaker	9%	4%	4%	8%
Retired	13%	21%	22%	21%
Student	6%	5%	5%	4%

<i>Employees per Household</i>	1.5	1.4	1.1	1.3
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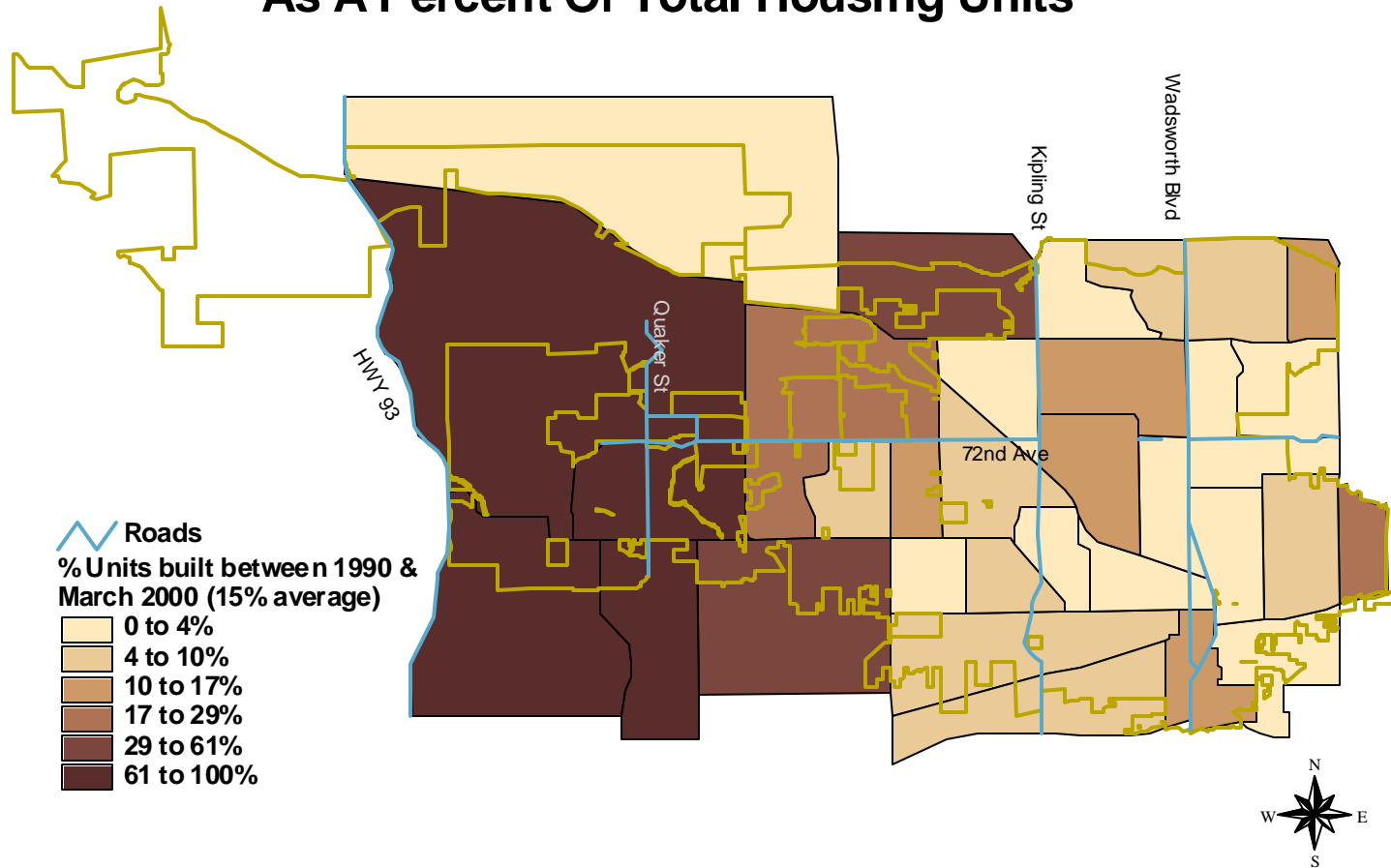
Where Residents of Arvada Work

	<i>NW</i>	<i>NE</i>	<i>SE</i>	<i>SW</i>
Arvada	28%	23%	28%	23%
Broomfield	10%	5%	3%	2%
Denver	28%	26%	22%	22%
Golden	4%	7%	9%	11%
Lakewood	6%	6%	10%	12%
Westminster	3%	11%	6%	7%
Other Jefferson County	6%	4%	6%	3%
Boulder County	7%	6%	1%	5%
Other	20%	18%	26%	17%

Primary source of income

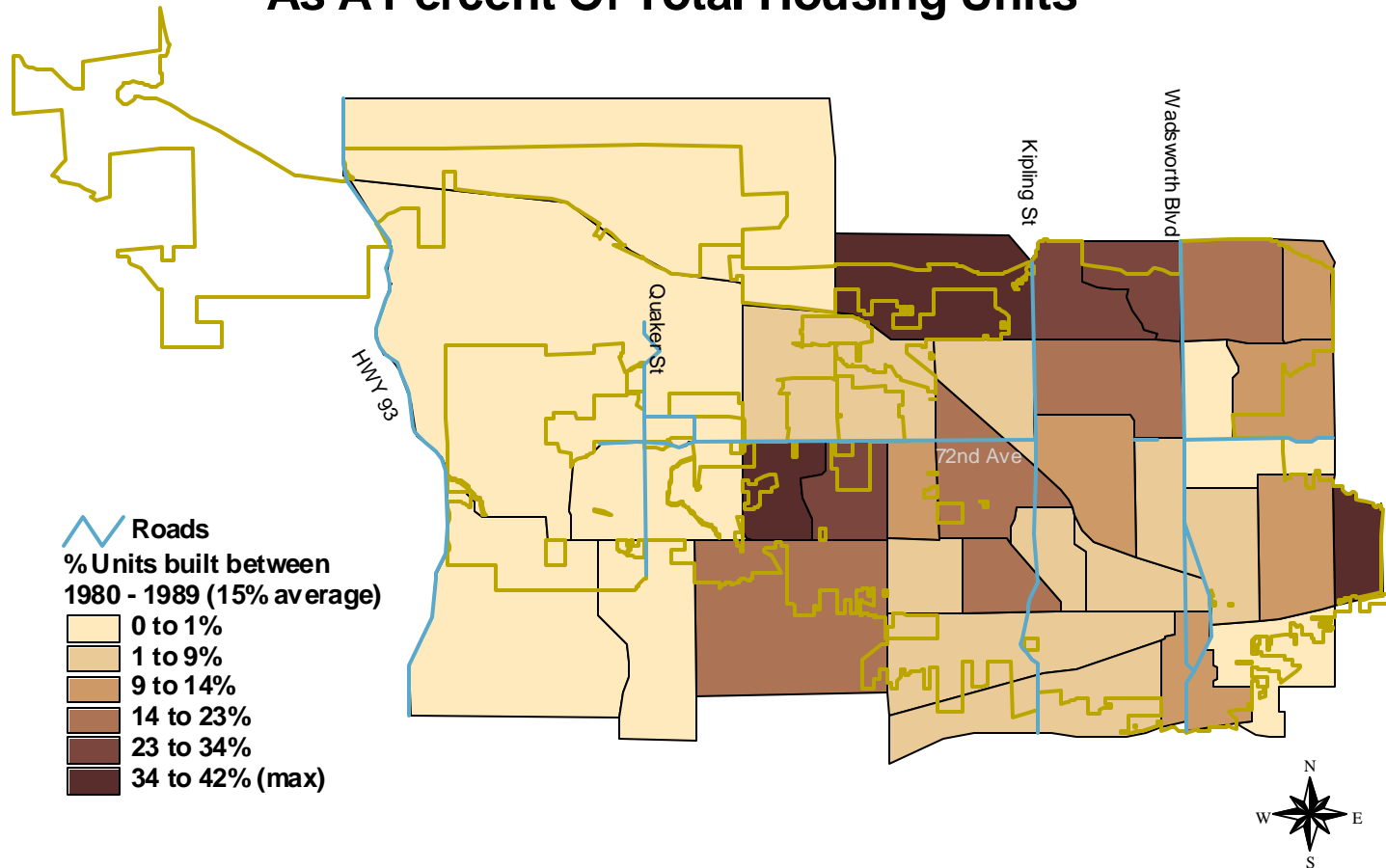
	<i>NW</i>	<i>NE</i>	<i>SE</i>	<i>SW</i>
Professional services (legal, etc.)	26%	20%	16%	15%
Retirement income	14%	20%	12%	16%
Other	9%	7%	18%	13%
Social Security	4%	9%	14%	10%
Government	9%	9%	7%	7%
Service	6%	10%	7%	6%
Health care services	5%	6%	5%	8%
Construction	10%	10%	4%	5%
Retail	10%	4%	4%	7%
Manufacturing	4%	3%	3%	6%
Personal services (laundry, etc.)	4%	1%	4%	3%
Agriculture/ food	-	2%	1%	4%
Unemployment	-	1%	3%	1%
TANF	-	-	2%	1%

ARVADA - Census Tract Level Housing Units Built Between 1990 And March 2000 As A Percent Of Total Housing Units



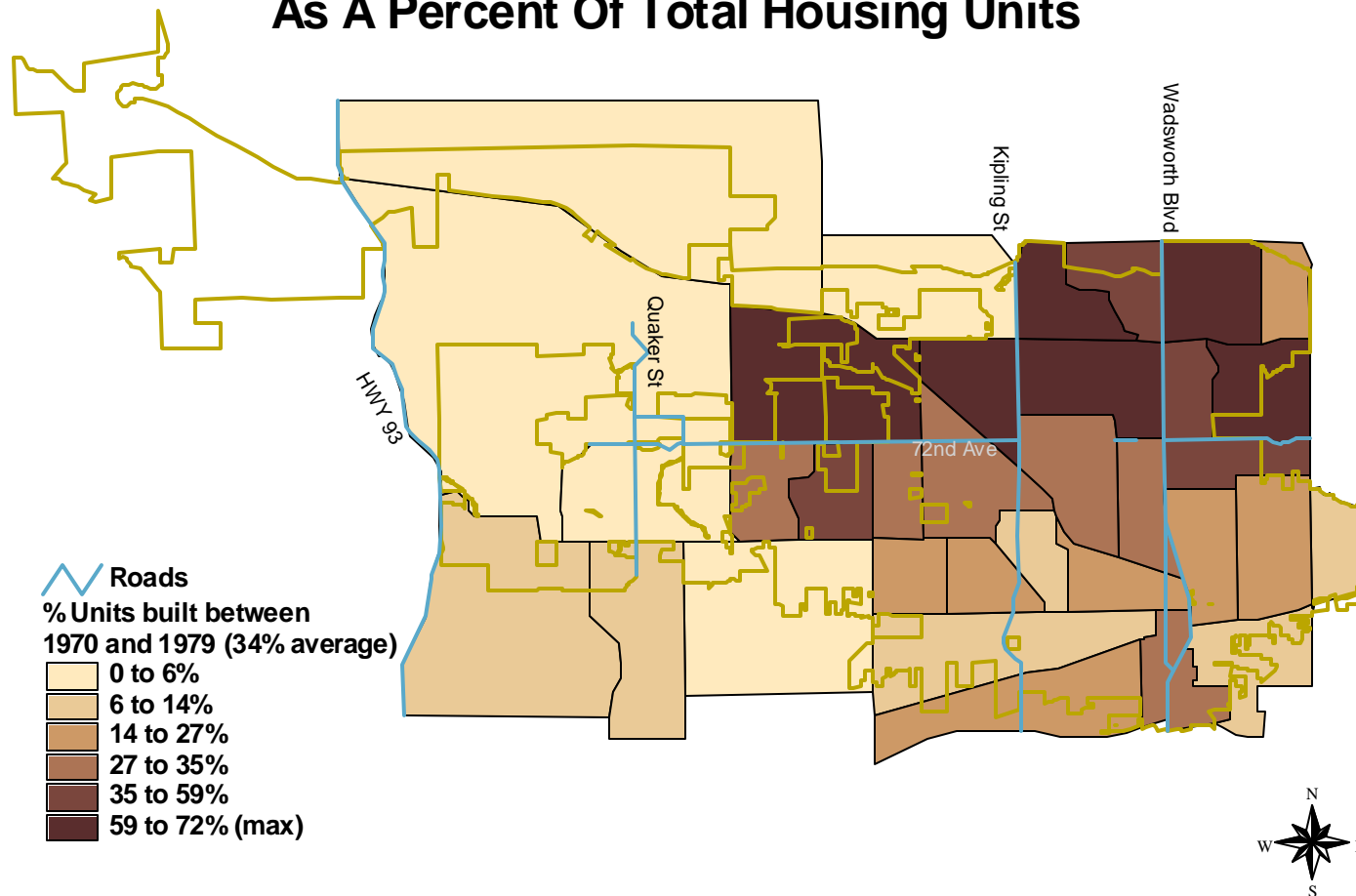
Source: Census 2000; City of Arvada

ARVADA - Census Tract Level Housing Units Built Between 1980 And 1989 As A Percent Of Total Housing Units



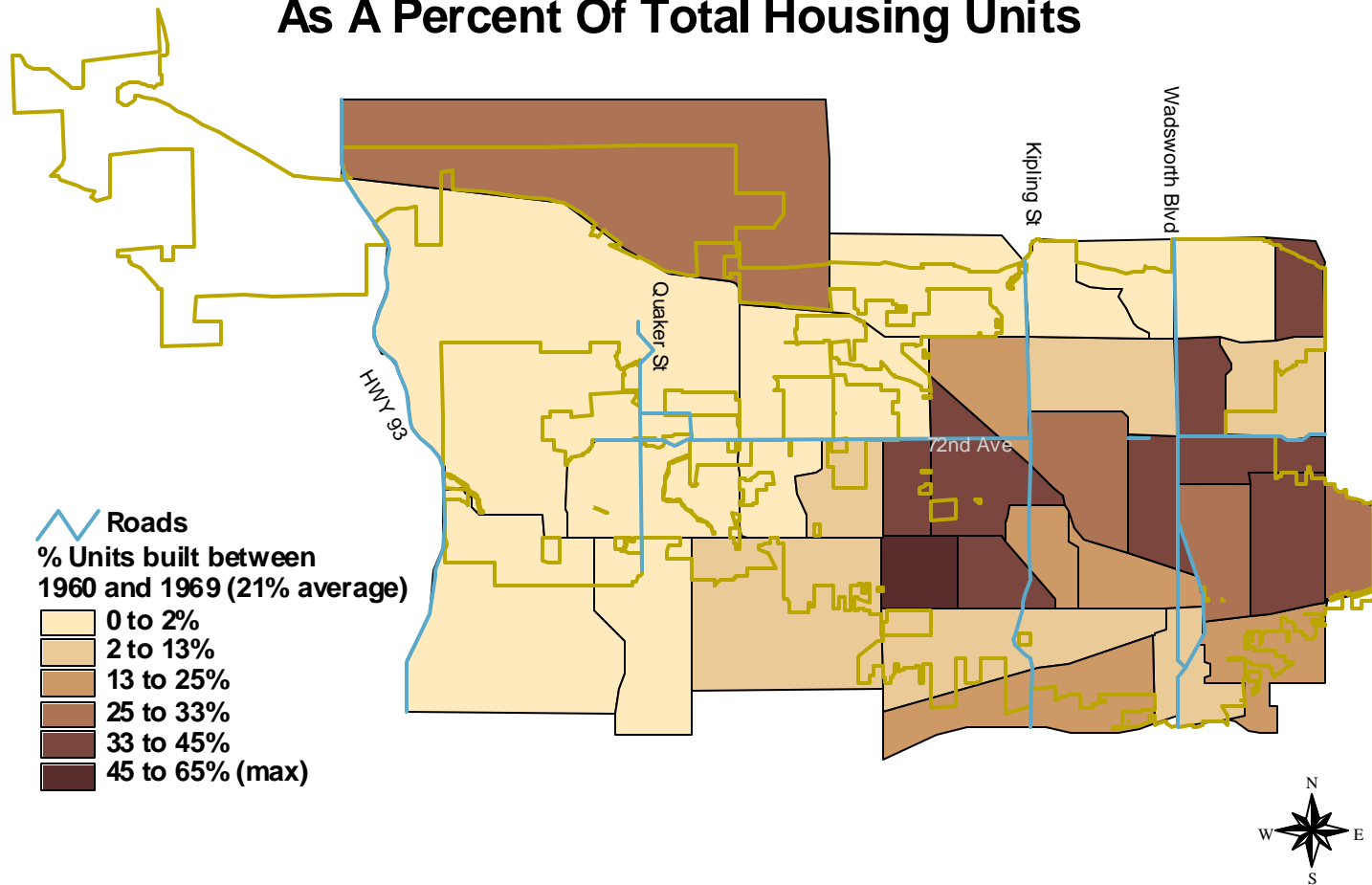
Source: Census 2000; City of Arvada

ARVADA - Census Tract Level Housing Units Built Between 1970 And 1979 As A Percent Of Total Housing Units



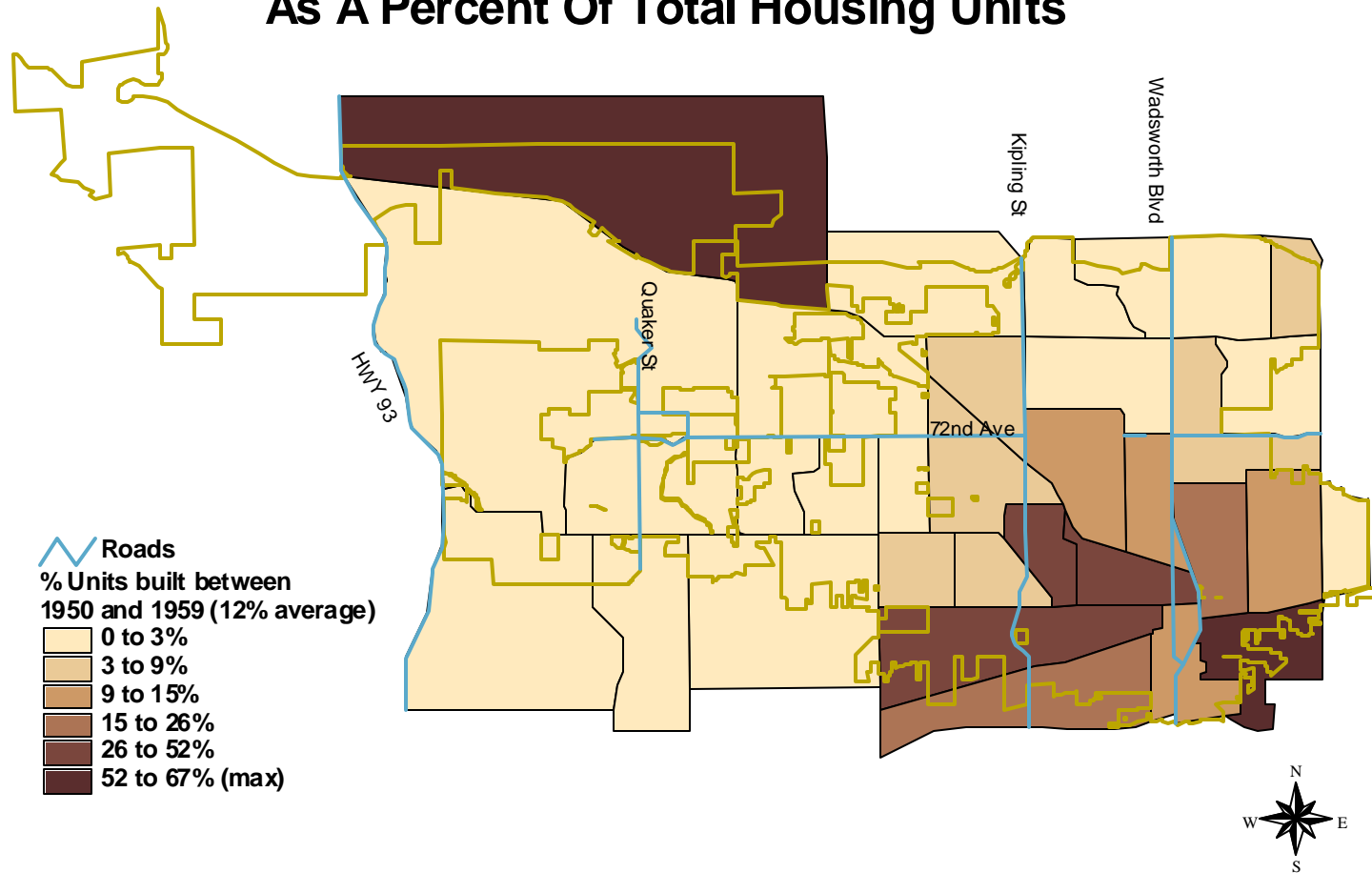
Source: Census 2000; City of Arvada

ARVADA - Census Tract Level Housing Units Built Between 1960 And 1969 As A Percent Of Total Housing Units

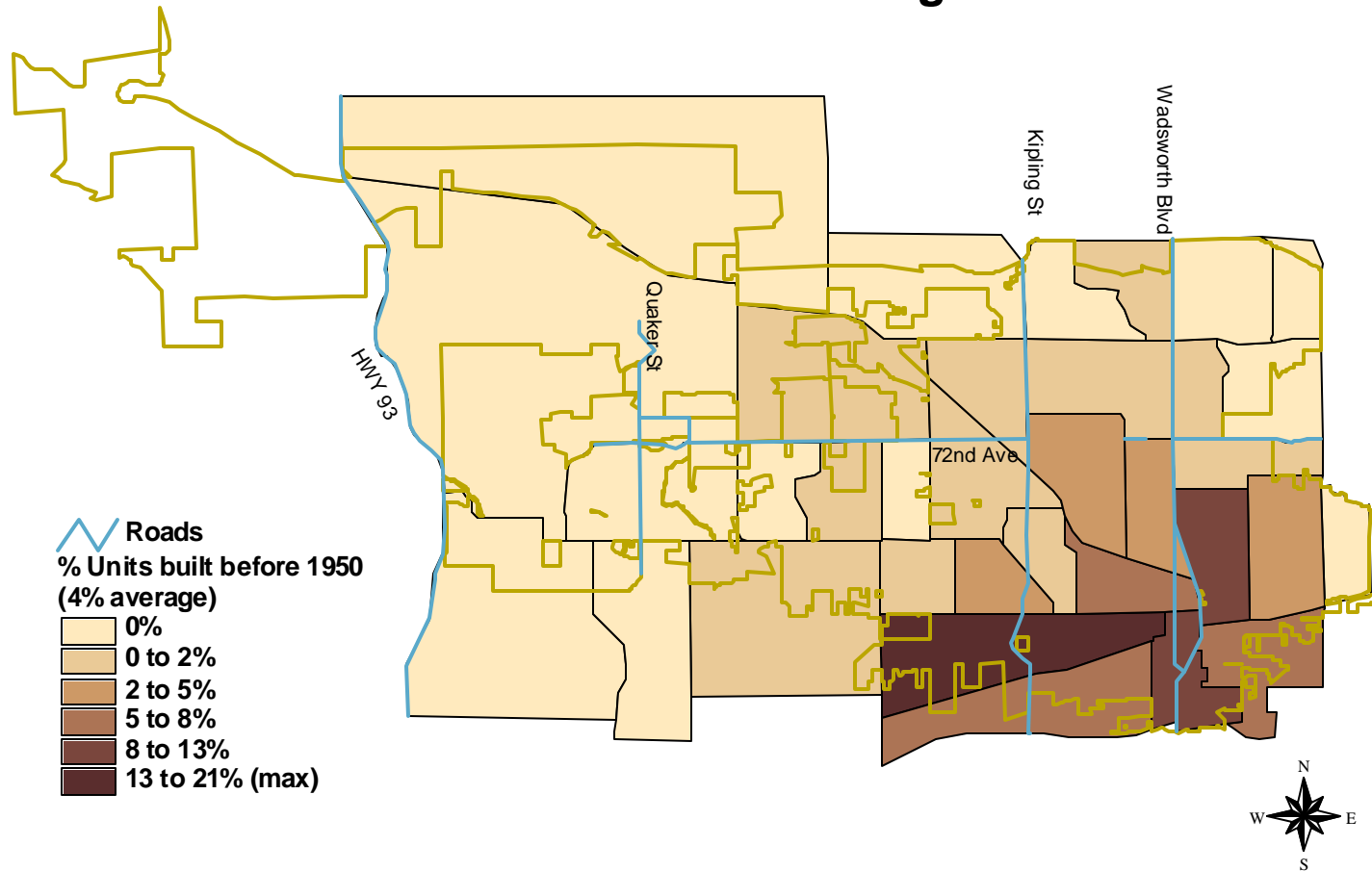


Source: Census 2000; City of Arvada

ARVADA - Census Tract Level Housing Units Built Between 1950 And 1959 As A Percent Of Total Housing Units



ARVADA - Census Tract Level Housing Units Built Before 1950 As A Percent Of Total Housing Units



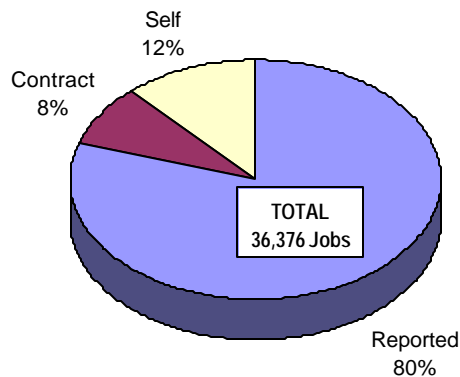
Source: Census 2000; City of Arvada

EMPLOYMENT

Profile of Jobs in Arvada

Based on estimates by the Denver Regional Council of Governments (DRCOG), Arvada had 36,376 jobs in 2000. Most of these jobs (80 percent) were “reported” jobs subject to unemployment insurance reporting requirements (“ES202” jobs). An additional 8 percent were contract jobs, and the remaining 12 percent were held by self-employed proprietors. Job growth was estimated to be about 3.0 percent per year between 1990 and 2000.

**Arvada Employment by Job Type
2000**



Source: Denver Regional Council of Governments (DRCOG).

The following table summarizes Arvada employment in 2000 by industry sector, based on Standardized Industrial Classification (SIC) categories, as estimated by DRCOG. Information on wages by sector is based on ES202 estimates of wages paid in Jefferson County as a whole, not specifically Arvada. Based on this table:

- *Jobs by Sector:* The single largest employment sector in Arvada is services (24 percent), followed by retail (22 percent), construction (12 percent), and manufacturing (11 percent).
- *Wages by Sector:* The average annual wage paid by all Jefferson County employers in 2000 was \$36,194. The largest employment sector in Arvada (services) pays just under the average Jefferson County wage (\$35,037). Retail, the second largest Arvada employment sector, pays the lowest average wage in Jefferson County (\$18,929). All other sectors, except for “agriculture/mining” and “other,” pay wages higher than the County average.

**Arvada Employment and Jefferson County Wages by Sector
2000 Annual Average Wage**

	Employment	Average Annual Wage (Jefferson County)
Agriculture/Mining	3%	\$27,538
Construction	12%	\$38,173
FIRE	5%	\$39,469
Government	1%	\$38,672
Manufacturing	11%	\$56,211
Retail Trade	22%	\$18,929
Services	24%	\$35,037
Transportation/Communication/Utilities	9%	\$57,234
Wholesale Trade	4%	\$55,075
Other	10%	\$29,563
Total All Industries	36,376	\$36,194

Source: DRCOG; Colorado Department of Labor and Employment – Labor Market Information ¹.

Household survey respondents were asked to report the primary source of income for their household. Based on responses:

- The SE quadrant has the largest percentage of households on Social Security;
- The NE quadrant has the highest percentage of households with Retirement Income; and
- Residents in the NW and NE quadrants are more likely to be employed in “professional services” and “construction” than those in the SE and SW quadrants.

¹ Note: DRCOG uses primary industry activity rather than funding source information to estimate employment by sector. Therefore, DU and CU are both included in Education Services, rather than DU in Service and CU in Public Administration (not applicable to Arvada).

Primary Source of Income for Arvada Households

Primary Source of Income	Arvada				
	Citywide	NW	NE	SE	SW
Agriculture/ food	2%	-	2%	1%	4%
Professional services (legal, etc.)	18%	26%	20%	16%	15%
Health care services	6%	5%	6%	5%	8%
Construction	6%	10%	10%	4%	5%
Manufacturing	4%	4%	3%	3%	6%
Government	8%	9%	9%	7%	7%
Retail	6%	10%	4%	4%	7%
Personal services (car repair, laundry, etc.)	3%	4%	1%	4%	3%
Retirement income	17%	14%	20%	12%	16%
Service	7%	6%	10%	7%	6%
TANF	1%	-	-	2%	1%
Unemployment	1%	-	1%	3%	1%
Social Security	11%	4%	9%	14%	10%
Other	12%	9%	7%	18%	13%

Source: 2003 Household Survey

Where Residents Work

Respondents to the household survey were asked where adult members of their household work who are employed outside of the home. Respondents were able to list multiple work locations, if applicable, that might exceed a 100 percent response rate for their location of work. Survey results show:

- The majority of Jefferson County residents also work in a community located in Jefferson County. Close to one-third of Jefferson County residents work in Denver and another 20% work in Lakewood. In comparison, 10% of Jefferson County residents who are employed work in Arvada.
- About 25 percent of Arvada residents work in Arvada. Another 24 percent of employed Arvada residents work in Denver. About 20 percent of Arvada residents work in areas other than Jefferson, Denver, Broomfield and Boulder Counties.
- Survey results indicate that a person's place of employment may have some influence on the quadrant that employed residents of Arvada choose to live. For example, residents that live in the northwest quadrant of Arvada are more likely to work in Broomfield than residents who live in other parts of Arvada; residents in the northeast quadrant are more likely to work in Westminster than other residents; and residents in the southeast and southwest quadrants are more likely to work in Golden and Lakewood than other residents living in other areas of the city.

Where Residents Work²

Place of Employment	Place of Residence					
	Jefferson County	Arvada				
		Total	NW	NE	SE	SW
Arvada	10%	25%	28%	23%	28%	23%
<i>Broomfield</i>	5%	4%	10%	5%	3%	2%
<i>Denver</i>	32%	24%	28%	26%	22%	22%
<i>Golden</i>	9%	9%	4%	7%	9%	11%
<i>Lakewood</i>	20%	9%	6%	6%	10%	12%
<i>Westminster</i>	5%	8%	3%	11%	6%	7%
<i>Other Jefferson County</i>	12%	5%	6%	4%	6%	3%
<i>Boulder County</i>	5%	5%	7%	6%	1%	5%
<i>Other</i>	19%	20%	20%	18%	26%	17%
TOTAL	117%	108%	112%	106%	112%	103%

Comparison of Worker Households

Households with workers that are employed in Arvada are largely similar to households with workers that commute outside Arvada for employment, where:

- Out-commuting workers are only slightly more likely to own their Arvada residence (84 percent) than local workers (79 percent);
- Both local worker households and out-commuting households are predominantly couples with children (43 percent for Arvada workers; 46 percent for out-commuting workers);
- Both local worker households and out-commuting households earn an average of between \$73,000 and \$75,000 per year; and
- Average mortgage paid is about \$1,300 per month for both worker household types, whereas renters that out-commute tend to pay more per month (\$800 median) than local workers (\$660 median).

These similarities indicate that local workers may be directly competing with workers in other communities for similar housing types and prices. There are very few differences when the housing preferences among residents who live and work in the community are compared to out-commuters. Local workers are about as likely as out-commuters to consider “distance from services,” “community amenities,” “cost of housing to buy/rent,” “number of bedrooms,” and “type of residence” when locating a residence. Households looking to move to a different city/community are also about equally as likely to want to “live closer to parks/open space,” “live in a newer community,” “live in a safer neighborhood,” and “find affordable senior housing.” A few differences are apparent, however, where:

² This tallies to more than 100% because of multiple employees per household.

- When measured on a scale of 1 = not important to 5= very important, “distance to/from work” is slightly more important to local worker households (3.8 average) than out-commuters (3.5 average);
- Owners that are looking to buy a different home and that work in Arvada are more likely to want to live in a more rural location and in a different community than out-commuters. Out-commuters are more likely to want to find a larger residence;
- Renters that are looking to buy a home cite “lack of housing choice,” “housing in my price range not available where I want to live” and “cheaper to rent” more frequently than out-commuters. Both worker households are limited by “high down payment” requirements; and
- Local workers looking to move to a different community or city most often selected “Can't find housing I can afford in Arvada that suits my needs” (49 percent) and “to have more acreage/larger yard” (45 percent). The largest percentage of out-commuting households selected “to live in a more rural setting” (45 percent). Out-commuters were also more likely to select “to be closer to work” (19 percent) and “to be closer to family” (13 percent) than local workers.

Comparison of Worker Households Based on Survey Results

<i>Tenure</i>	<i>Live & work in Arvada</i>	<i>Work Elsewhere</i>
Own	79%	84%
Rent	21%	17%

Household Type

Adult living alone	7%	7%
Couple, no children	13%	17%
Couple, with children	46%	43%
Single parent with children	10%	8%
Empty-Nester	11%	16%
Unrelated roommates	1%	1%
Other	11%	7%

Median Household

<i>Income</i>	\$73,270	\$75,000
<i>Median Mortgage</i>	\$1,375	\$1,300
<i>Median Rent</i>	\$660	\$800

Important Factors When Deciding On A Place To Live

Distance to/from work	3.8	3.5
Distance from services	3.6	3.5
Community amenities	3.7	3.6
Cost of housing to buy/rent	4.4	4.3
Number of bedrooms	3.8	3.8
Type of residence	4.3	4.4

1=Not Important to 5 = Very Important

	<i>Live & work in Arvada</i>	<i>Work Elsewhere</i>
% of owners that want to buy	26%	26%
% of renters that want to buy	100%	97%

Why Owners Want To Buy

To find a larger home	28%	32%
To live in a more rural setting	41%	34%
To live in a different community	34%	21%
To find a smaller home	16%	10%
To be closer to work	6%	17%
To find a single-family residence	6%	7%
To find an attached residence	-	2%
To live closer to city/town services	-	3%
Other reason	28%	30%

Why Renters Have Not Bought

High down payment requirement	50%	62%
Housing in my price range not available where I want to live	50%	38%
Can't qualify for a loan	40%	46%
Total cost	30%	46%
Cheaper to rent	30%	19%
Lack of housing choice	50%	12%
Other	10%	15%

Why Do You Want To Move To A Different City/ Community?

Can't find housing I can afford in Arvada that suits my needs	49%	15%
To have more acreage/larger yard	45%	31%
To live in a more rural setting	35%	45%
To live closer to parks/open space	19%	20%
To live in a newer community	12%	12%
To live in a safer neighborhood	9%	7%
Cannot find affordable senior housing in Arvada	7%	3%
To be closer to work	-	19%
To be closer to family	-	13%
To live closer to services	-	1%
To live in a different school district	-	3%
Other	6%	18%

Job Growth and Housing Demand

Information supplied by DRCOG indicates that job growth in Arvada is projected to increase from 30,944 in 2000 to 40,700 in 2015, or an increase of 32% over the 15-year period. The highest rate of growth is expected to occur from 2005 to 2010.

Employment Growth		
	Employment	Percent Change
2000	30,944	
2001	32,346	4.50%
2003	33,319	3.00%
2005	34,291	2.90%
2010	37,496	9.30%
2015	40,700	8.50%

Source: DRCOG

The 2000 Census found that there were 59,284 residents of Arvada age 16 or older who were employed and that 25% of employed residents live and work in Arvada. This means that 14,821 residents worked in the 30,944 jobs in Arvada or that residents held 48% of jobs in Arvada.

Number of Residents Employed in Arvada and Holding Jobs in Arvada

Employed Residents 16+	59,284
% Live/Work In Arvada	25.0%
# Live Work in Arvada	14,821
# of Jobs	30,944
Percent Held by Residents	47.9%

Source: 2000 Census, DRCOG & McCormick and Associates, Inc. Calculations

The household survey found that there was an average of 1.3 employed persons per household in Arvada. Assuming that 25% of residents continue to work in Arvada as jobs increase provides an estimate of housing needed to maintain the existing number of resident workers in the community. To maintain the existing jobs to housing relationship, Arvada would need to add 1,236 homes from 2000 to 2005. In the next five-year period, another 1,183 homes would be needed to keep up with job growth and retain the current relationship of residents who live and work in Arvada.

Housing Demand and Job Growth

Year	Employment	Percent Change	Number of New Jobs Held by Residents	Employees Per HH	Housing Demand
2000	30,944		14,821		
2005	34,291	10.8%	1,607	1.3	1,236
2010	37,496	9.3%	1,538	1.3	1,183
2015	40,700	8.5%	1,538	1.3	1,183

HOUSEHOLDS BY AREA MEDIAN INCOME

Housing needs and programs are often described in terms of area median income (AMI). This section of the report provides a snapshot of households in Jefferson County within the categories of Very Low Income (or earning less than 30% of the Area Median Income), Low Income at 30.1% to 60% of the AMI, and moderate-income area households earning 60.1% to 80% of the AMI. These are typically the households for whom housing programs and the bulk of resources are targeted.

2003 Area Median Income for Jefferson County

	30% AMI	50%	60%	80%	100%	120%
1 person	\$14,700	\$24,450	\$29,340	\$39,150	\$48,900	\$58,680
2 person	\$16,800	\$27,950	\$33,540	\$44,750	\$55,900	\$57,080
3 person	\$18,850	\$31,450	\$37,740	\$50,350	\$62,900	\$75,480
4 person	\$20,950	\$34,950	\$41,940	\$55,900	\$69,900	\$83,880
5 person	\$22,650	\$37,750	\$45,300	\$60,400	\$75,500	\$90,600
6 person	\$24,350	\$40,550	\$48,660	\$64,850	\$81,100	\$97,320

Several common patterns emerged across these income groups:

- Over one-third of households in the very low-income, low-income and moderate income groups have at least one person age 65 or older.
- About one-third of very low income and 25% of moderate income households have a disabled person.
- Very low and low-income households are more likely to be single adults living alone.
- Over half of low and moderate-income households have lived in Arvada for more than 10 years.
- Over half of the low and moderate-income households are employed, as are 40% of the very low-income households. As might be expected, a very high percentage of households in this income group are retired.
- Few very low, low and moderate-income households live north of 72nd Avenue and west of Kipling. They are most likely to be found in the southern portions of Arvada, with 72% of very low-income households living south of 72nd Avenue, east of Kipling.
- Housing cost is a problem for households earning less than 80% of the AMI, with over half paying 30% or more of their monthly income for housing. This is particularly acute among the very low-income households, where 59% pay over half of their income for housing.
- As income increases so does the rate of ownership. Among very low income households, 81% rent. Of moderate income households 83% own their homes.

As part of the Jefferson County Housing Study, a key informant interview was held with representatives of area service agencies and housing providers. Many of the agencies present were from Arvada. Several important items to consider emerged following the discussion with this group as it related to households in the very low and low-income category:

- These households will often pay for their housing first, foregoing funds for food, clothing, and utilities and needed medication. Many service agencies provide these services, including assistance with utility payments. They noted that the number of households seeking assistance has risen dramatically in the past two years as a result of job loss.
- The study found that there was a disproportionate share of elderly and disabled in the very low and low-income category. For many agencies, this finding accurately reflected the households they work with. For many others, the largest populations needing assistance were couples with children, adults living alone and single-parent households, in that order.

The following pages provide a profile of households by very low, low and moderate income.

Very Low Income Households Arvada

Households Earning 30% AMI or below

<i>Households</i>	<i>#</i>	<i>%</i>
Total households	2,846	7%

<i>Percent of Income To Housing Payment</i>	<i>%</i>
30% or less	22%
30.1% - 50%	19%
51% or more	59%

<i>Behind in Housing Payment</i>	
Never	74%
1 to 3 times	21%
4 or more times	5%
Median House Payment	\$609

<i>Tenure</i>	
Own	16%
Rent	81%
Other	2%

<i>Place of Residence</i>	
North (of 72 nd), West (of Kipling) NW Quadrant	5%
North (of 72 nd), East (of Kipling) NE Quadrant	13%
South (of 72 nd), East (of Kipling) SE Quadrant	72%
South (of 72 nd), West (of Kipling) SW Quadrant	10%

<i>Would Use</i> (rated 4 or 5 on a scale of 1 "would not use" to 5 "would definitely use")	<i>%</i>
Rehab Program	53%
Down Payment	67%
Rent Assistance	78%

<i>Want to Buy (owners and renters)</i>	
Yes	73%
No	27%

<i>Type of Unit Occupied</i>	<i>%</i>
Apartment	60%
Condominium	7%
Townhome/ Duplex	7%
Single-family home	27%
Mobile home/Other	-

<i>Household Composition</i>	
Adult living alone	48%
Couple, no children	7%
Couple, with children	16%
Single parent with children	16%
Empty-Nester	2%
Unrelated roommates	-
Other	12%
% with at least one 65+ person	37%
% with at least one disabled person	33%

<i>Length of Time in Jefferson County</i>	
Less than one year	-
1 to 2 years	12%
3 to 5 years	26%
6 to 10 years	24%
More than 10 years	36%
All my life/have always lived here	2%

<i>Employment</i>	
Employed	40%
Full-time	62%
Part-time	49%
Homemaker	3%
Retired	35%
Student	-
Unemployed	21%
% Employed in Arvada	44%

Low Income Households Arvada

Households Earning 30 to 60% AMI

<i>Households</i>	<i>#</i>	<i>%</i>
Total households	5,602	14%

<i>Percent of Income To Housing Payment</i>	<i>%</i>
30% or less	37%
30.1% - 50%	46%
51% or more	17%

<i>Behind in Housing Payment</i>	
Never	87%
1 to 3 times	9%
4 or more times	4%
Median House Payment	\$656

<i>Tenure</i>	
Own	48%
Rent	50%
Other	2%

<i>Place of Residence</i>	
North (of 72 nd), West (of Kipling) NW Quadrant	4%
North (of 72 nd), East (of Kipling) NE Quadrant	12%
South (of 72 nd), East (of Kipling) SE Quadrant	36%
South (of 72 nd), West (of Kipling) SW Quadrant	48%

<i>Would Use</i> (rated 4 or 5 on a scale of 1 "would not use" to 5 "would definitely use")	<i>%</i>
Rehab Program	70%
Down Payment	65%
Rent Assistance	59%

<i>Want to Buy (owners and renters)</i>	
Yes	54%
No	46%

<i>Type of Unit Occupied</i>	<i>%</i>
Apartment	34%
Condominium	7%
Townhome/ Duplex	19%
Single-family home	41%
Mobile home/Other	-

<i>Household Composition</i>	
Adult living alone	37%
Couple, no children	14%
Couple, with children	16%
Single parent with children	9%
Empty-Nester	20%
Unrelated roommates	-
Other	4%
% with at least one 65+ person	38%
% with at least one disabled person	12%

<i>Length of Time in Jefferson County</i>	
Less than one year	4%
1 to 2 years	11%
3 to 5 years	9%
6 to 10 years	21%
More than 10 years	51%
All my life/have always lived here	5%

<i>Employment</i>	
Employed	52%
Full-time	48%
Part-time	61%
Homemaker	4%
Retired	37%
Student	1%
Unemployed	7%
% Employed in Arvada	42%

Moderate Income Households Arvada

Households Earning 60 to 80% AMI

<i>Households</i>	<i>#</i>	<i>%</i>
Total households	4,827	12%

<i>Percent of Income To Housing Payment</i>	<i>%</i>
30% or less	48%
30.1% - 50%	49%
51% or more	3%

<i>Behind in Housing Payment</i>	
Never	94%
1 to 3 times	4%
4 or more times	2%
Median House Payment	\$893

<i>Tenure</i>	
Own	83%
Rent	14%
Other	2%

<i>Place of Residence</i>	
North (of 72 nd), West (of Kipling) NW Quadrant	9%
North (of 72 nd), East (of Kipling) NE Quadrant	13%
South (of 72 nd), East (of Kipling) SE Quadrant	30%
South (of 72 nd), West (of Kipling) SW Quadrant	48%

<i>Would Use</i> (rated 4 or 5 on a scale of 1 "would not use" to 5 "would definitely use")	<i>%</i>
Rehab Program	57%
Down Payment	47%
Rent Assistance	25%

<i>Want to Buy (owners and renters)</i>	
Yes	37%
No	63%

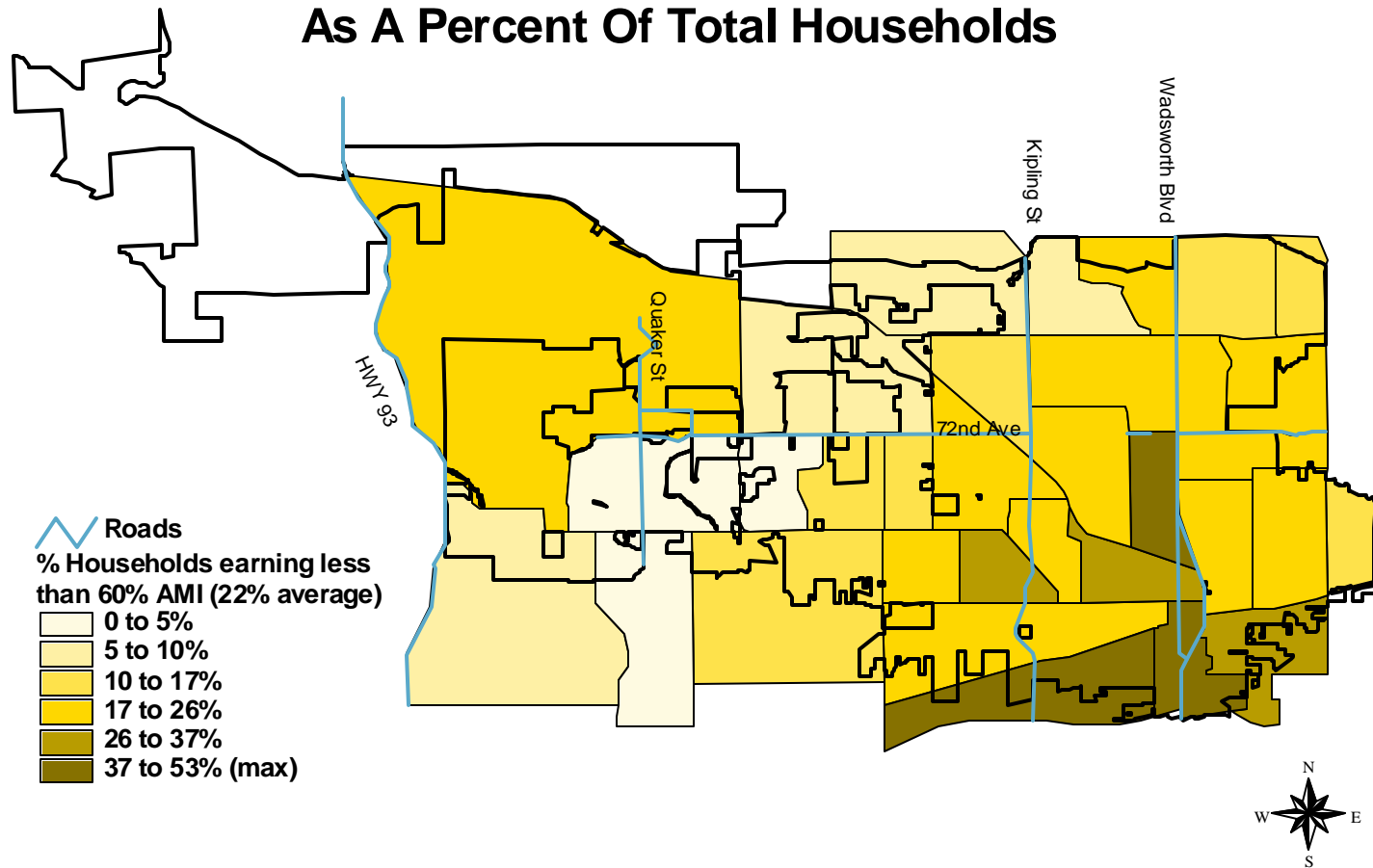
<i>Type of Unit Occupied</i>	<i>%</i>
Apartment	5%
Condominium	2%
Townhome/ Duplex	13%
Single-family home	80%
Mobile home/Other	-

<i>Household Composition</i>	
Adult living alone	31%
Couple, no children	8%
Couple, with children	28%
Single parent with children	14%
Empty-Nester	10%
Unrelated roommates	2%
Other	7%
% with at least one 65+ person	34%
% with at least one disabled person	25%

<i>Length of Time in Jefferson County</i>	
Less than one year	2%
1 to 2 years	9%
3 to 5 years	10%
6 to 10 years	15%
More than 10 years	60%
All my life/have always lived here	4%

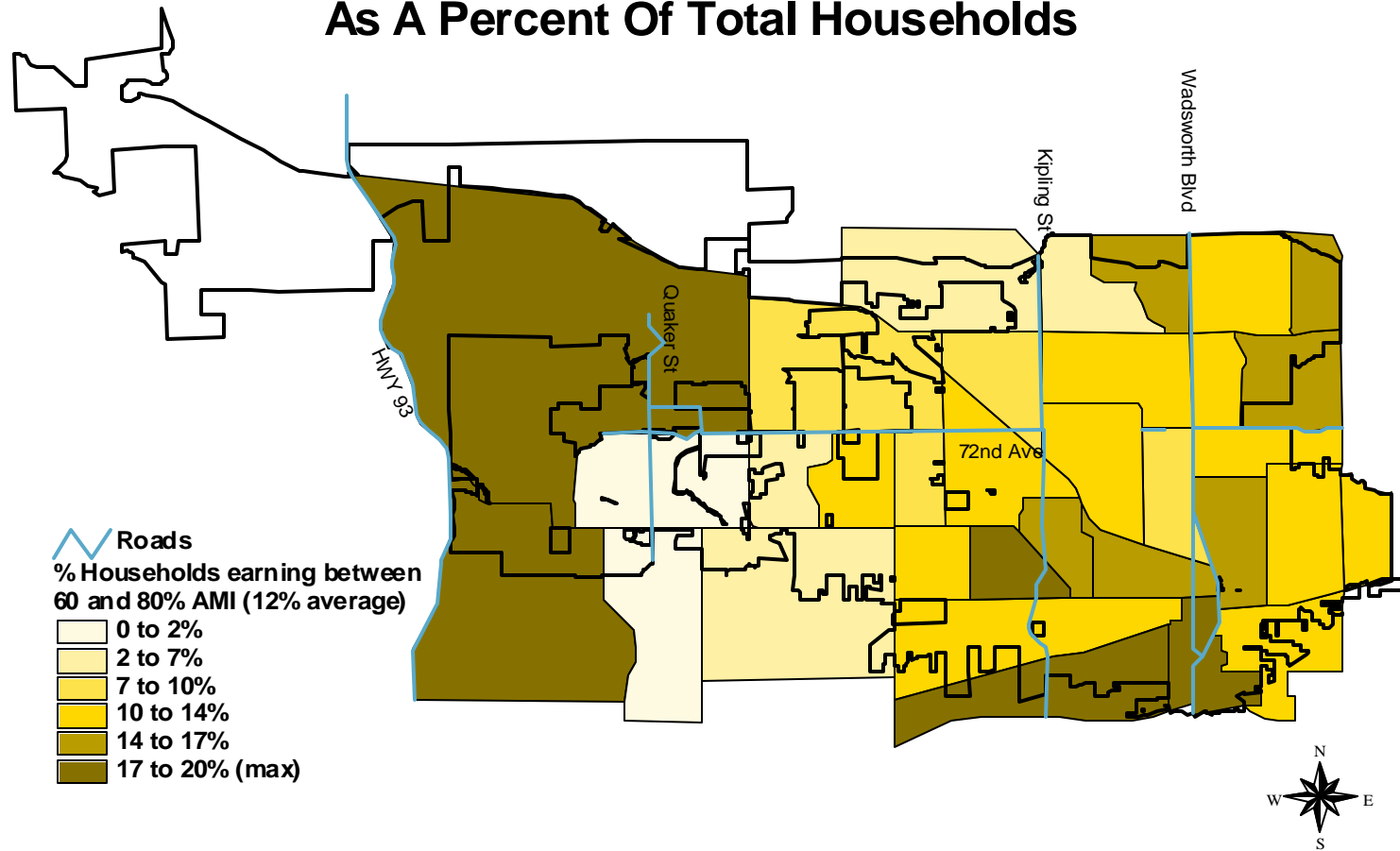
<i>Employment</i>	
Employed	54%
Full-time	73%
Part-time	42%
Homemaker	9%
Retired	30%
Student	1%
Unemployed	6%
% Employed in Arvada	28%

ARVADA - Census Tract Level Households Earning Less Than 60% AMI As A Percent Of Total Households



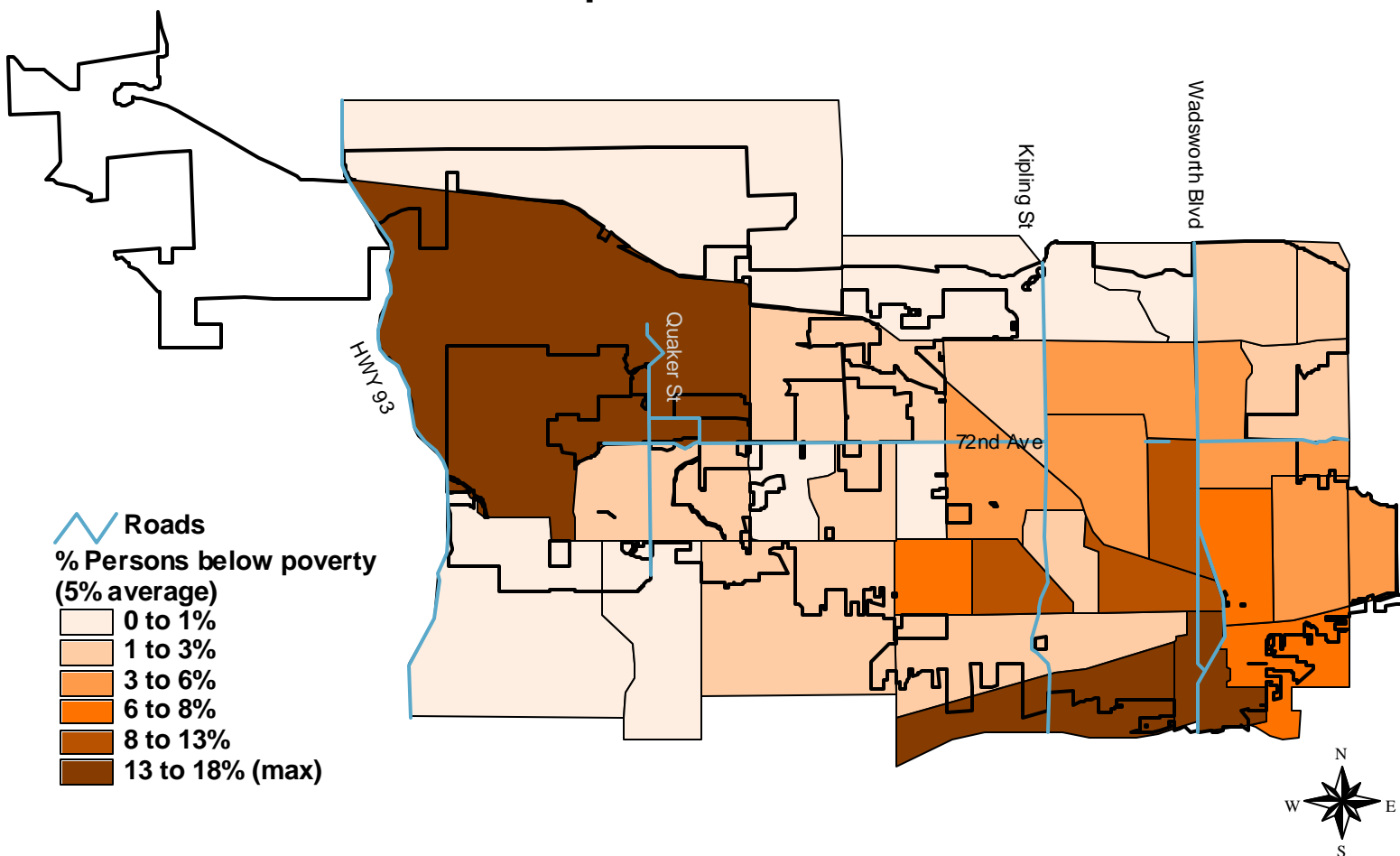
Source: Census 2000; CHAS; City of Arvada

ARVADA - Census Tract Level Households Earning Between 60% and 80% AMI As A Percent Of Total Households



Source: Census 2000; CHAS; City of Arvada

ARVADA - Census Tract Level Persons Earning Below Poverty Level As A Percentage Of Arvada's Total Population Within Each Census Tract



Source: Census 2000; City of Arvada

HOUSING COSTS

This section of the report examines cost trends in for-sale and rental housing in Arvada.

Housing Stock Characteristics

- According to the 2000 Census, the City of Arvada is predominantly single-family homes (72%) and has a higher percentage of single-family homes when compared to Jefferson County (67%). The Census only found 24 mobile homes in the community.

2000 Census – Unit Type

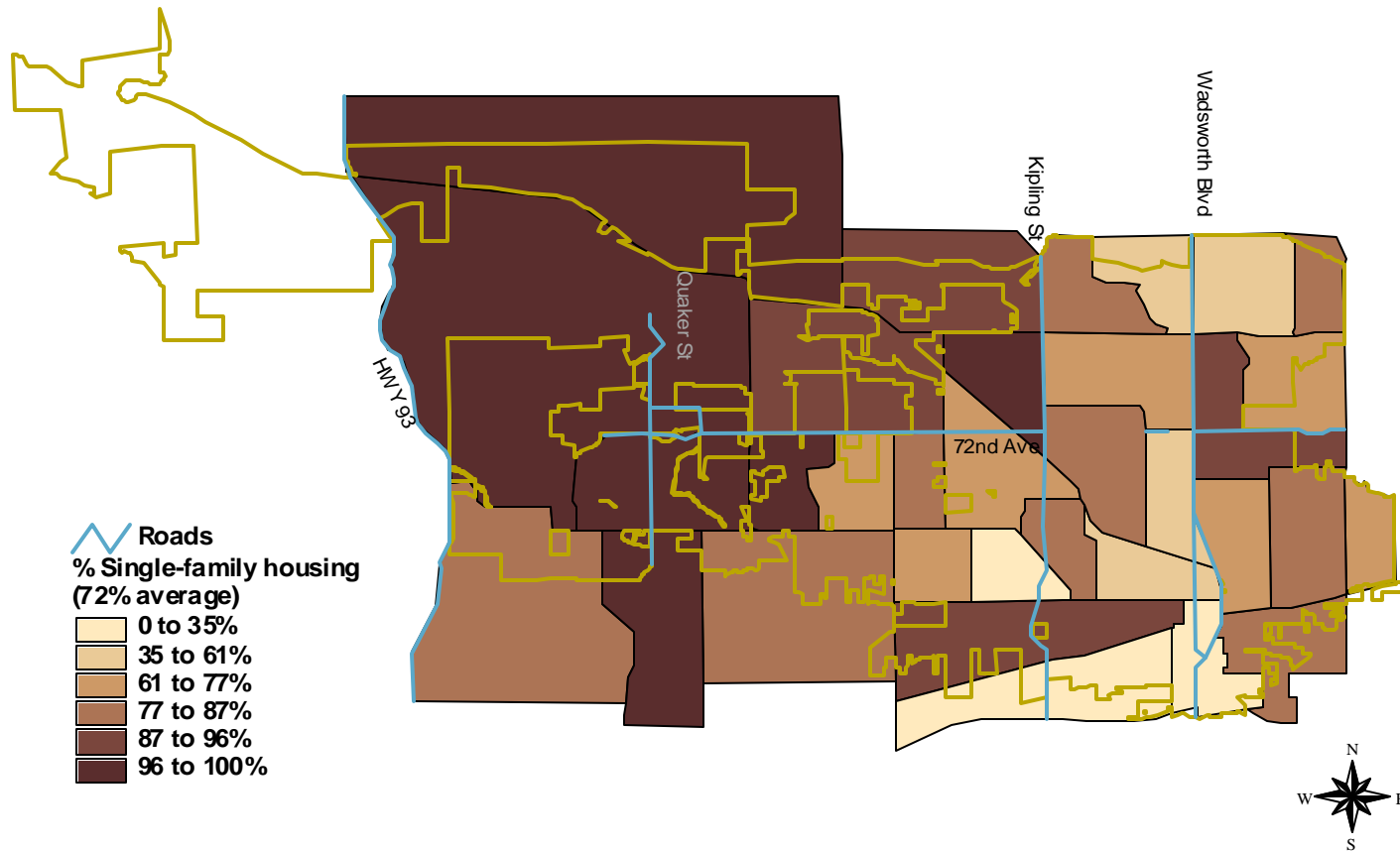
Unit Type	# of Units	% of Housing Stock
Single-Family	28,524	72%
Multi-Family	11,075	28%
Mobile Homes	24	0.1%

- Household survey information indicates an uneven distribution of housing types by the four quadrants of the city. Single-family homes are the most prevalent in the northwest and southwest sectors of the city, with 23% of units in the southeastern portion of Arvada consisting of apartments.

Household Survey – Unit Type Distribution

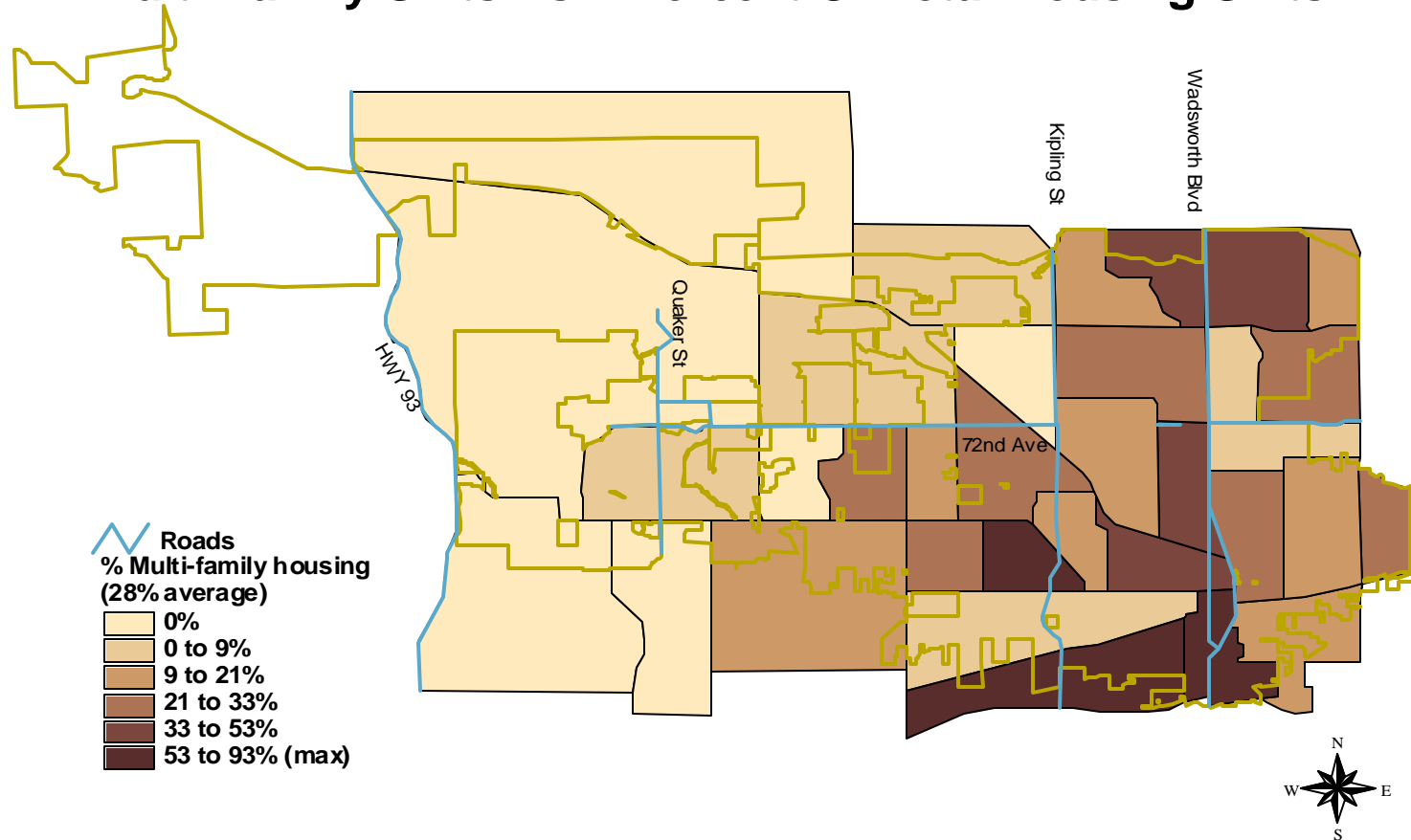
	NW	NE	SE	SW
Unit Type				
Apartment	5%	3%	23%	8%
Condominium	2%	10%	2%	2%
Townhome/ Duplex	2%	15%	8%	9%
Mobile home	2%	-	-	-
Single-family home	89%	73%	65%	80%
Other	-	-	2%	1%

ARVADA - Census Tract Level Single-Family Units As A Percent Of Total Housing Units



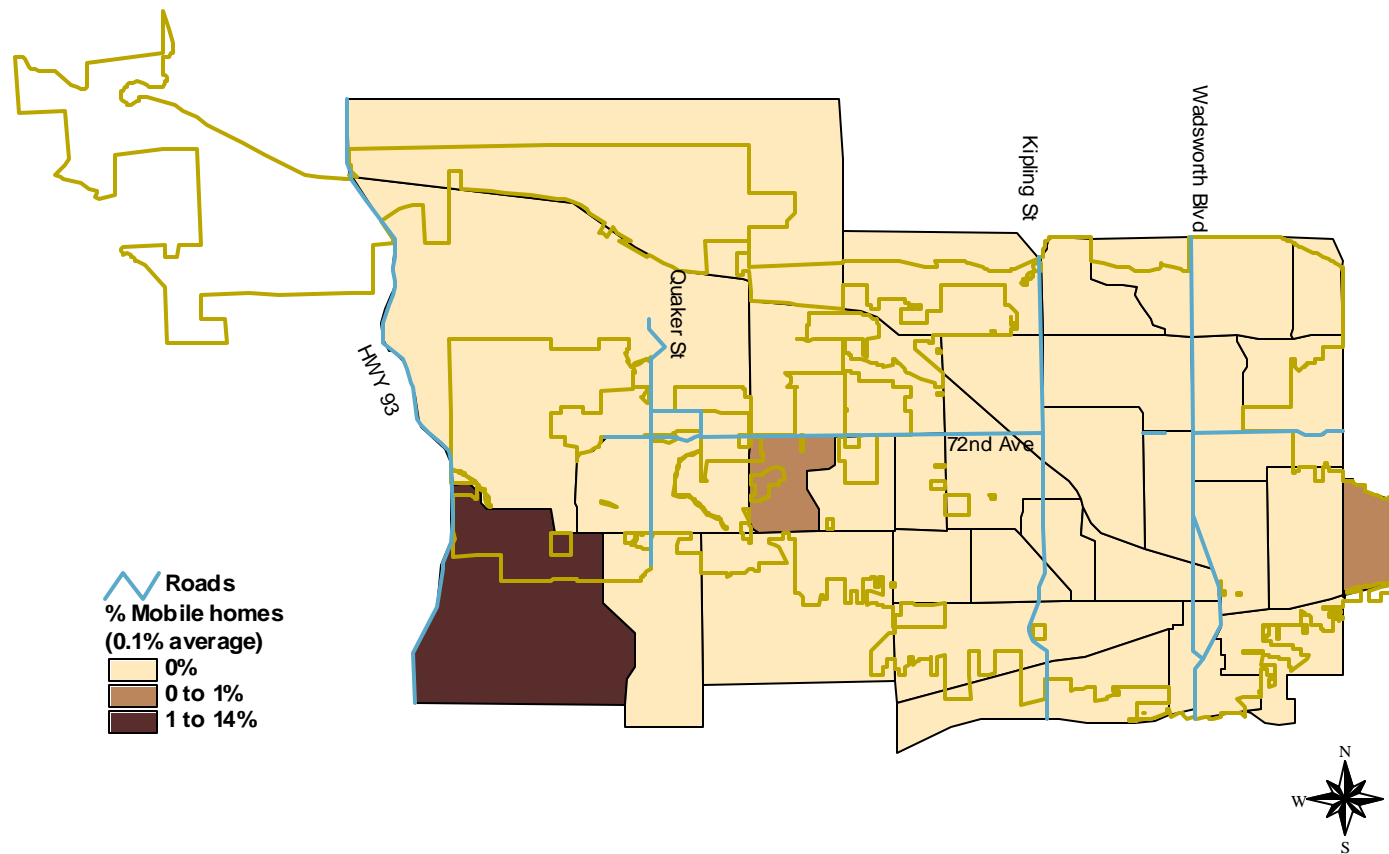
Source: Census 2000; City of Arvada

ARVADA - Census Tract Level Multi-Family Units As A Percent Of Total Housing Units



Source: Census 2000; City of Arvada

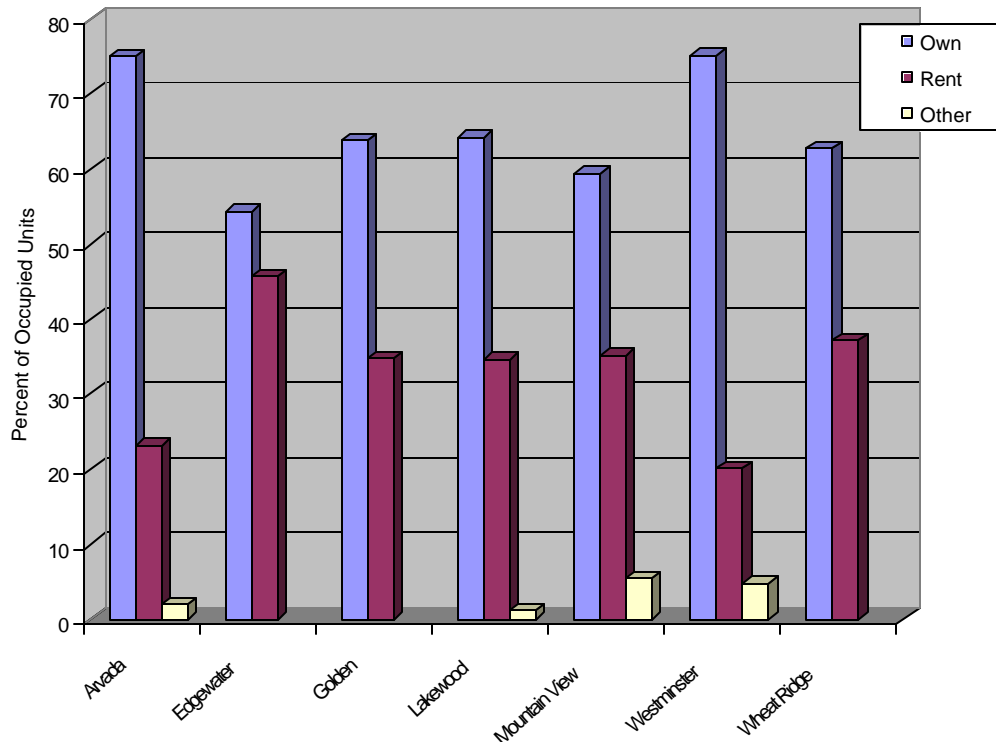
ARVADA - Census Tract Level Mobile Homes As A Percent Of Total Housing Units



Comparison to Jefferson County Communities

Arvada has one of the highest rates of owner-occupied units when compared to other Jefferson County communities. Only the Jefferson County portion of Westminster has a higher number of owner-occupied units.

Comparison of Tenure



Source: 2003 Household Survey

Arvada also has one of the highest percentages of single-family homes when compared to other Jefferson County communities. Overall, household survey respondents reported that 68% of them lived in single-family homes. In Arvada, 74% of survey respondents noted they lived in a single-family unit.

Comparison of Unit Type – Percentage of Respondents

	OVERALL	Arvada	Edgewater	Golden	Lakewood	Mountain View	Westminster	Wheat Ridge
Apartment	13	12	35	19	18		12	22
Condominium	5	4		7	9			3
Townhome/ Duplex	12	9	4	9	17	6	10	18
Mobile home	1	0		6	0			
Single-family home	68	74	61	59	55	94	78	57

Housing Payment

- The average housing payment in Arvada was less than Jefferson County overall, regardless of location.
- The northwest and southwest areas had the highest average and median housing payments, with the southeast having an average payment that was 60% of the average for the northwest area.

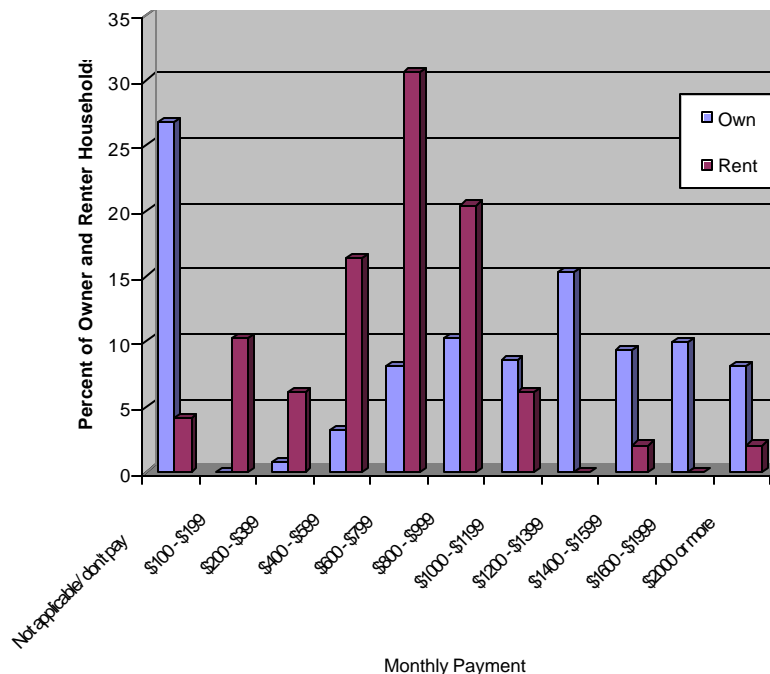
Average and Median Monthly Housing Cost³

	Jefferson County	Arvada	Where in Arvada do you live?			
			NW	NE	SE	SW
Average	\$1,702	\$1,156	\$1,438	\$1,072	\$878	\$1,315
Median	\$1,000	\$1,064	\$1,296	\$1,010	\$787	\$1,268

Source: Household Survey

- On average, owners pay \$1,342 each month for housing compared to \$709 paid by renters. As shown in the following chart, 27% of owners do not have a mortgage and 4% of renters do not pay a monthly rent.
- Rental housing payments are evenly distributed, although there are few renters paying \$1,200 per month or more for rent. Among owners, monthly housing payments peak at \$1,200 to \$1,399, with an even distribution of payment on either side of this payment scale.

Monthly Payment Distribution



Source: Household Survey

³ Median indicates that half of households pay below the median payment and half pay more than the median housing payment. The average is the average housing cost paid by all households responding to the survey.

Sales Trends

Over the past five years, the price of single-family homes increased the most (55%) and the price of duplexes increased the least (31%). Interestingly, duplexes sold for more than single-family homes, with the greatest difference occurring in 1998. Over time, the median price of duplexes has dropped. The price difference in duplexes is most likely to be attributed to the small number sold. Over the five-year period, 331 duplexes were sold compared to 11,050 single-family homes and 2,826 condominium/townhouse units.

Median Sales Prices of Homes in Arvada			
	Single Family	Condo/Townhouse	Duplex ⁴
1997	\$148,500	\$103,000	\$183,350
1998	\$159,900	\$107,800	\$196,600
1999	\$175,000	\$115,450	\$203,150
2000	\$199,900	\$139,000	\$221,400
2001	\$218,500	\$151,950	\$239,500
2002	\$230,000	\$150,000	\$240,100
% Change	54.9%	45.6%	31.0%

Source: Jefferson County Assessor

The price of new homes is increasing at a faster rate than existing homes, particularly among condominium/town home units. Over the five-year period, the price increase for new condominiums was 89% compared to 58% for existing condominiums. New single-family home prices increased 68% over five years compared to 60% of existing single family homes. Existing duplexes had the highest percentage increase (77% increase in price); however, the price differential between new and existing duplexes was quite small when compared to other unit types. In addition, there were times when the price of new homes was less than existing homes. Again, this is attributed to the relatively low number of units sold of this type.

⁴ Per individual unit

Comparison of New Home and Existing Home Median Sales Prices in Arvada

Year	New Compared to Existing	Single-Family	Condo/Townhome	Duplex
1997	New unit	\$225,800	\$133,300	\$186,200
	Existing unit	\$139,000	\$93,000	\$168,500
	% More New Unit	62%	43%	11%
1998	New unit	\$249,300	\$143,000	\$201,600
	Existing unit	\$149,900	\$102,500	\$195,000
	% More New Unit	66%	40%	3%
1999	New unit	\$294,800	\$178,950	\$206,100
	Existing unit	\$168,500	\$111,950	\$190,000
	% More New Unit	75%	60%	8%
2000	New unit	\$318,200	\$172,500	\$220,200
	Existing unit	\$185,000	\$130,000	\$232,450
	% More New Unit	72%	33%	-5%
2001	New unit	\$384,500	\$250,300	\$234,100
	Existing unit	\$205,000	\$143,950	\$240,000
	% More New Unit	88%	74%	-2%
2002	New unit	\$380,200	\$252,200	\$232,500
	Existing unit	\$222,500	\$147,000	\$297,750
	% More New Unit	71%	72%	-22%
5-Year Comparison	New price increase	68%	89%	25%
	Existing price increase	60%	58%	77%

Source: Jefferson County Assessor

The following chart provides median sales price comparisons for Jefferson County communities, by unit type. There is significant variation in prices depending on location and unit type. Single-family homes in Arvada fall within the mid-point of the price ranges, with condominiums costing more than in other areas except for unincorporated Jefferson County.

2002 Median Sales Price Comparisons

	Single Family	Condominiums	Townhomes
Mountain View	\$82,300		
Edgewater	\$176,000	\$70,000	\$133,000
Wheatridge	\$199,700	\$124,250	\$140,000
Westminster	\$206,250	\$128,000	\$157,700
Lakewood	\$230,000	\$124,000	\$157,900
Arvada	\$230,000	\$133,500	\$155,000
Morrison	\$235,300		
Unincorporated	\$263,000	\$145,150	\$171,500
Golden	\$296,700	\$105,000	\$244,850

Rental Conditions

Vacancy rates for a five-year period were examined for Jefferson County and the market areas defined in the Denver Metro Apartment Vacancy Survey. Arvada has consistently had lower vacancy rates than other market areas until the 2nd quarter of 2002. At that time, vacancy rates in Arvada jumped from 3.8% in 2001 to 9.5% in 2002 and have retained this vacancy rate into 2003. With the exception of Wheatridge, other areas of Jefferson County have shown a decline in the vacancy rate from 2002 to 2003.

Vacancy Rate Trends – 2nd Quarter

	1999	2000	2001	2002	2003
Jefferson County	4.6%	3.4%	5.5%	9.1%	8.8%
Arvada	3.9%	2.3%	3.8%	9.5%	9.4%
Golden	14.1%	4.7%	5.0%	16.3%	10.5%
Lakewood-North	5.0%	2.6%	4.3%	7.0%	7.2%
Lakewood-South	4.2%	4.3%	6.6%	9.9%	8.4%
Wheatridge	1.8%	1.2%	3.9%	4.4%	12.2%

Source: Denver Metro Apartment Vacancy Survey

As might be expected in a softening rental market, average rents in Jefferson County have declined since 2001 and Arvada is no exception. The average rent in the 2nd quarter of 2003 was below 2001; however, it was slightly higher than the 2002 rent. According to information gleaned from the developer interviews, rental properties financed with Low Income Housing Tax Credits that were affordable to households at 60% of the Area Median Income are now competing with market rate properties. Rental units financed with tax credits that target households earning 50% or less of the AMI are meeting an unmet demand under current market conditions. Older rental properties are reducing rents to remain competitive and/or are rehabilitating these properties to enhance marketability and maintain higher rents.

The metro area has a two- to three-year supply of rental properties to be absorbed into the market. This means that there will continue to be pressure to reduce rents and higher than normal vacancies can be expected. New rental developments will most likely be focused on “niche” markets for special populations and lower income households who continue to be priced out of the market.

Average Rents in Jefferson County and Primary Market Areas

	2001	2002	2003
Jefferson County	\$ 822	\$ 810	\$777
Arvada	\$ 744	\$ 708	\$730
Golden	\$ 831	\$ 813	\$824
Lakewood-North	\$ 791	\$ 787	\$723
Lakewood-South	\$ 880	\$ 869	\$840
Wheatridge	\$ 681	\$ 654	\$660

Source: Denver Metro Apartment Vacancy Survey

Developers participating in the key informant interview affirmed that the rental housing market was soft. They discussed the plethora of concessions that landlords are offering,

including no deposit and up to three-months free rent for a 12-month lease. The value of these concessions lowers market rate rents to ranges that are affordable to households earning 60% of the Area Median Income (\$786 for a one-bedroom and \$943 for a two-bedroom). One key informant had recently opened a rental project and gave two months free rent and attributes this to their ability to achieve full occupancy. They noted that the market for rental units priced at or below 50% of the Area Median Income (\$655 for a one-bedroom and \$786 for a two-bedroom) was still good. The softening in the rental market was due to a combination of factors, including an over-supply of rental housing being introduced throughout the metro area, the downturn in the economy and favorable interest rates that allowed many renters to purchase their first homes. Another interview participant noted that they rented single-family homes in Arvada and that renting them was increasingly difficult as renters who could afford to pay \$900 per month or more for rent were opting to buy instead.

Income Restricted Housing

Income restricted housing are developments that have a maximum household income. Typically, households earning less than 60% of the Area Median Income are eligible to live in these projects. Arvada has an estimated 1,218 units and 650 Section 8 Vouchers available for an estimated 8,448 income eligible residents. Of the 8,448 income eligible residents 2,846 earn less than 30% of the Area Median Income (earn \$16,800 for one person or \$18,500 for two people).

Income Restricted Housing	
Type of Program	Number
Arvada Housing Authority - Section 8 Vouchers	508
Mental Health Center – Section 8 Vouchers	142
Income Restricted Rentals	1,218
TOTAL	1,868

The following chart provides a listing of developments in Arvada that carry income restrictions. These projects have been developed using a variety of financing sources and techniques. Many are mixed income developments, where a portion of the project has been developed to meet long term affordability requirements and the balance of the units are provided at market.

Income Restricted Housing – Arvada

Project	Units	# of Income Restricted Units	Census Tract	Type/Financing
Allison Village	37	37	104.02	Section 8 New Construction
Applecreek Apartments	195	78	103.07	HODAG
Arvada House	88	88	103.07	Section 8 NC
Brookside Apts. transitional	16	16	103.05	CDBG
Lutheran Home Apts.	95	26	102.07	202 Program
Marcella Manor	206	206	102.07	Section 8 New Construction
MUCH-Hoskinson	4	4	103.05	Section 8
MUCH-Lawrence	5	5	103.05	Section 8
MUCH-Russell	3	3	104.02	Section 8
MUCH-Vanderhoof	4	4	103.07	Section 8
Nightingale	40	8	103.03	Private Activity Bonds
Nightingale Expan.	41	8	103.03	Private Activity Bonds
Park Terrace Apts.	96	96	104.02	Section 8
Parkview Village Apt	96	24	104.02	LIHTC
Parkview Village West	54	7	104.02	LIHTC & HOME
Simmons Four Plex	4	3	103.07	Rental Rehab
Simmons Four Plex	4	3	103.07	Rental Rehab
Springwood	124	25	103.03	Private Activity Bonds
Sprucewood Village	54	54	104.05	Rental Rehab
Terri Kay Apts.	27	27	104.05	HOME
Women In Crisis	7	7	104.06	CDBG
Yarrow Gardens	50	10	103.05	HUD 236
Columbine Village at Arvada	60	60	104.05	LIHTC
Colo. Hmless. Fam. transitional	22	22	102.07	CDBG/
Allison Pointe	104	104	104.05	LIHTC
Arvada Place Apts.	41	0	102.07	RTC/
North Marshall transitional	5	5	104.06	Transitional
Sheridan Ridge	65	49	102.04	HOME/LIHTC
The Village	4	4	102.07	Varied
Columbine Village on Allison I	67	67	104.05	LIHTC
Columbine Village on Allison II	44	44	104.05	LIHTC
Columbine Village on Allison III	61	61	104.05	LIHTC
Habitat For Humanity	1	1	102.04	
Habitat For Humanity	2	2	102.07	
Willow Green	60	60	102.04	LIHTC/HOME
TOTAL	1,786	1,218		

Source: Arvada Housing Authority

SPECIAL NEEDS HOUSING

This section of the report reviews information about seniors and disabled populations who are known to have greater challenges with locating affordable and suitable housing. This section provides a brief overview of demographic characteristics, income and any unusual housing circumstances that were found in the household survey and through interviews with service providers.

Key Informant Interviews

Representatives from 20 different service agencies in Jefferson County participated in a discussion of housing needs in the area. Agencies included those that provide emergency shelter, the food bank, adult and family services, mental health, the developmentally disabled and senior organizations. Some of the highlights of this discussion have been included in various sections of this report, where the insights of the service providers help to explain and understand some of the information. Following is a synopsis of the key findings from this discussion:

- There is a growing need for emergency shelter services. In Jefferson County there are approximately 70 beds available for homeless families and individuals.
- There is a trend where adult children and/or grandchildren are living with grandparents. Many reasons for this trend were given, including loss of employment among the adult family members with some grandchildren “taking advantage” of a grandparent’s living situation. Single parents, in particular, are returning home or living with other adults in situations that may not be safe in order to have a place to live and someone to care for children while the parent works.
- There is a growing concern about multi-generational families living together where one of the younger members of the family is severely disabled and the parent or grandparent has a disability and can no longer care for the developmentally disabled person. To address this situation a greater number of group homes and similar types of living situations are needed for the developmentally disabled.
- Three years ago families and individuals seeking assistance had moved from another state searching for employment and needed services until they could find a job. Today, long time Jefferson County residents are seeking assistance. Clients seeking assistance had good jobs and were able to pay \$1,000 to \$1,200 per month for housing; however, with a loss of jobs and unemployment benefits, many households who had never used assistance before are seeking services. Caseloads have increased an average of 3% per month for the past two years. The requests for emergency food assistance have increased by 62% and school supply assistance requests are up 113% from last year. In the past two years, there were 3,500 families receiving food stamps. Today the number exceeds 5,000 households. All of these increases were attributed to the slow economy and loss of jobs.
- Motels have been a source of housing in the area; however, many of these will be lost due to planned redevelopment along Colfax. Motels are renting for \$230 per

week (equivalent to \$996 per month). Because of the types of jobs many of these residents have, motels are the only option because they accept weekly or daily payments.

Seniors

The 2000 Census found that 15% of all households in Jefferson County had at least one person age 65 or older and there were 51,073 persons in this age range. According to the Department of Local Affairs, Jefferson County is projected to more than double the number of seniors (persons 65 years of age or older) by 2020. This will add 53,000 seniors to the county and represents the largest numerical increase in seniors of any county in the Metro area.

Growth by County in Population Age 65+

	2000	2020	# change	% change
Adams	28,094	60,818	32,724	116%
Arapahoe	42,342	90,823	48,481	114%
Boulder	20,796	46,762	25,966	125%
Broomfield	2,584	6,813	4,229	164%
Clear Creek	658	1700	1,042	158%
Denver	62,203	84,727	22,524	36%
Douglas	7,528	34,347	26,819	356%
Gilpin	270	797	527	195%
Jefferson	51,073	104,510	53,437	105%

Source: Department of Local Affairs

According to the 2000 Census, 27% of households in Arvada had a person age 60 or older. This was the second highest percentage of all Jefferson County communities and was higher than Denver as well.

Comparison of Households With Person(s) 60+

	Arvada		Denver	Lake-wood	West-minster	Wheat-ridge
	Number	%	%	%	%	%
Total Households:	39,019					
Households with one or more 60 years+	10,402	27%	24%	26%	17%	35%
1-person household (60+)	3,650	35%	47%	37%	34%	46%
2-or-more person household (60+)	6,752	65%	53%	63%	66%	54%

Source: 2000 Census

Location and Time in Arvada

The Household Survey found very few senior households in the northwestern quadrant of Arvada and noted that they are concentrated in the southern sections of the city. Among seniors who rent, most (78%) are likely to live in the southeastern quadrant of Arvada. Among owners, the majority live in southwestern Arvada. Owners are the most

likely to have lived in Arvada for more than 10 years (84% of owners). More than one-third of seniors who rent have been in Arvada for five or fewer years.

Seniors and Location of Residence and Time in Arvada

	Overall	Own	Rent
Northwest	2%	3%	
Northeast	19%	22%	11%
Southeast	38%	28%	78%
Southwest	40%	47%	47%
	100%	100%	100%
Less than one year	4%	2%	8%
1 to 2 years	1%		
3 to 5 years	11%	2%	33%
6 to 10 years	9%	8%	8%
More than 10 years	73%	84%	50%
All my life/ Have always lived here	3%	3%	
	100%	100%	100%

Source: 2003 Household Survey

Tenure and Household Type

- Most seniors own their homes (72%). Owners are more likely to be couples without children (27%) or empty nesters (33% who may be single or couples). About 7% of owners (5% of all senior households) have children under the age of 18 living at home.
- Renters are most likely to be adults living alone (67%).
- Service providers noted an increase in adult children living with their senior parents.

Tenure and Household Type

	Overall	Own	Rent/Other
		72%	28%
Adult living alone	37%	25%	67%
Couple, no children	23%	27%	17%
Couple, with children	5%	7%	
Empty-Nester	28%	33%	17%
Unrelated roommates	2%	2%	
Family members and unrelated roommates	2%	2%	
Other	4%	4%	
	100%	100%	100%

- Seniors who rent in Arvada earn significantly less than seniors who own. The average income of renters was \$17,582 compared to \$51,661 for owners. The median income of renters was \$12,022 compared to \$45,192 for owners. The lower income of renters is reflected in the 60% who earn less than 30% of the Area Median Income.
- Incomes of seniors in the northern portions of Arvada are significantly higher than the seniors living in southern Arvada. This may reflect the relatively few seniors who live in the northern portions of Arvada.

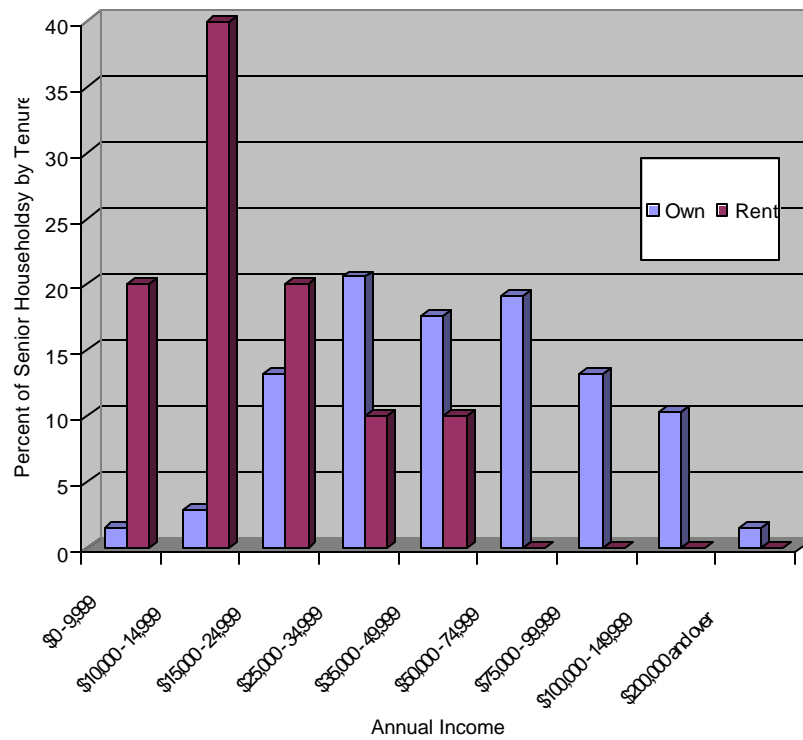
Area Median Income and Income Distribution

		Overall	NW	NE	SE	SW	Tenure	
							Own	Rent
AMI	30% or less	19			40	6	4	60
	30.1% - 50%	21		25	12	24	21	20
	50.1% - 60%	5			3	8	7	
	60.1% - 80%	17		17	15	23	19	10
	80.1 to 120%	18		17	21	20	22	10
	OVER 120%	19	100	42	9	20	26	
TOTAL		100	100	100	100	100	100	100
HOUSEHOLD INCOME	\$0 - 9,999	7			13		1	20
	\$10,000 - 14,999	12			27	6	3	40
	\$15,000 - 24,999	16		17	9	16	13	20
	\$25,000 - 34,999	17		17	15	22	21	10
	\$35,000 - 49,999	16			15	23	18	10
	\$50,000 - 74,999	14		33	9	17	19	
	\$75,000 - 99,999	9	100	17	6	11	13	
	\$100,000 - 149,999	7		17	3	6	10	
	\$200,000 and over	1			3		1	
	TOTAL	100	100	100	100	100	100	100
Average		\$ 42,098	\$75,000	\$ 60,276	\$35,594	\$ 43,569	\$ 51,661	\$ 17,582
Median		\$ 32,030	\$75,000	\$ 60,962	\$ 28,178	\$ 35,945	\$ 45,192	\$ 12,022

Source: 2003 Household Survey

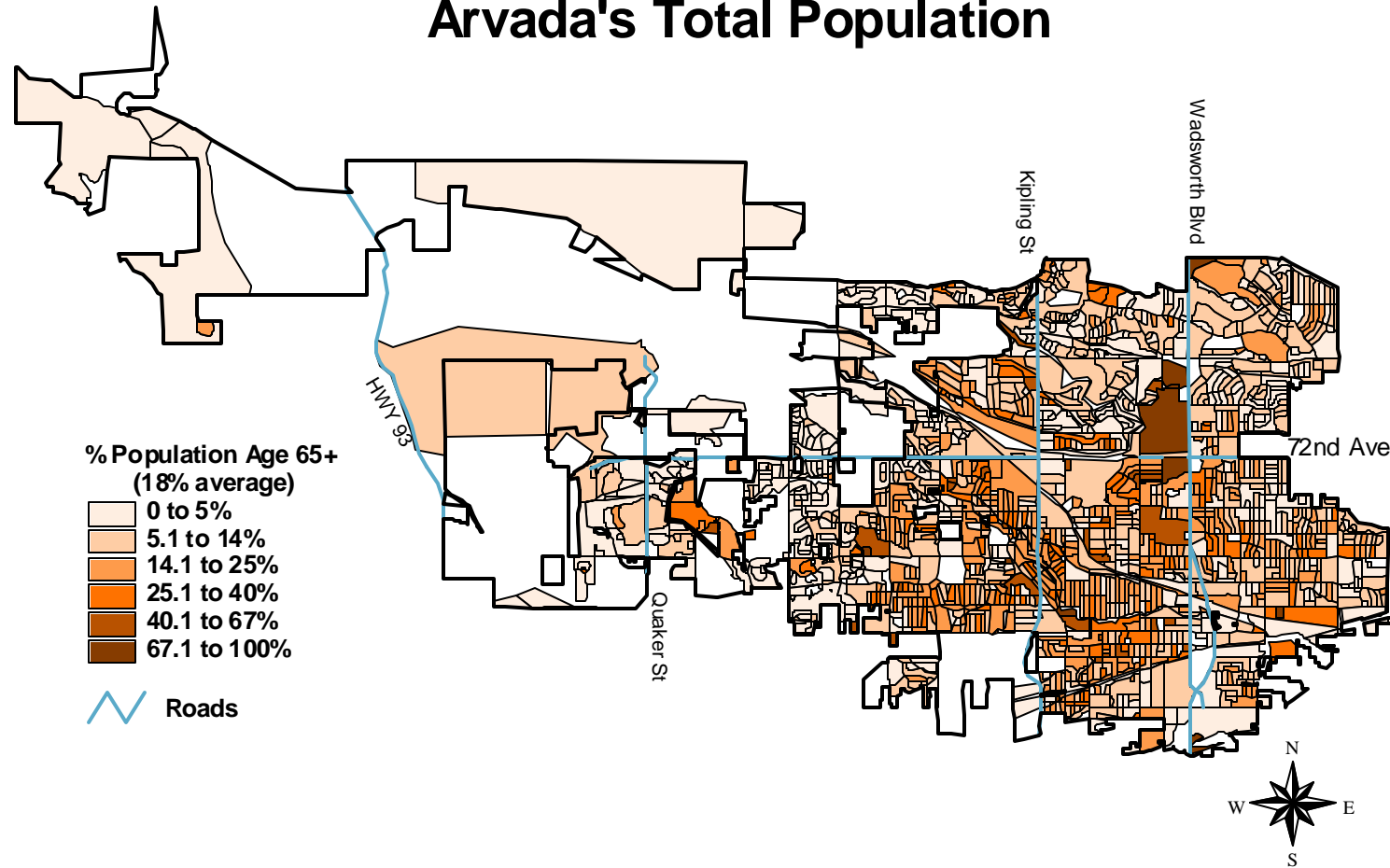
The following chart illustrates the income distribution among senior households in Arvada. About 25% of owners earn more than \$75,000 per year. In contrast, 60% of renters earn less than \$15,000 per year. It is interesting to note that among seniors who own, there is an even distribution of income. In contrast, renters who are senior are more likely to be grouped toward the lower end of the income range, with close to 40% earning \$10,000 to \$15,000 annually.

2003 Income Distribution Among Seniors by Tenure



Source: 2003 Household Survey

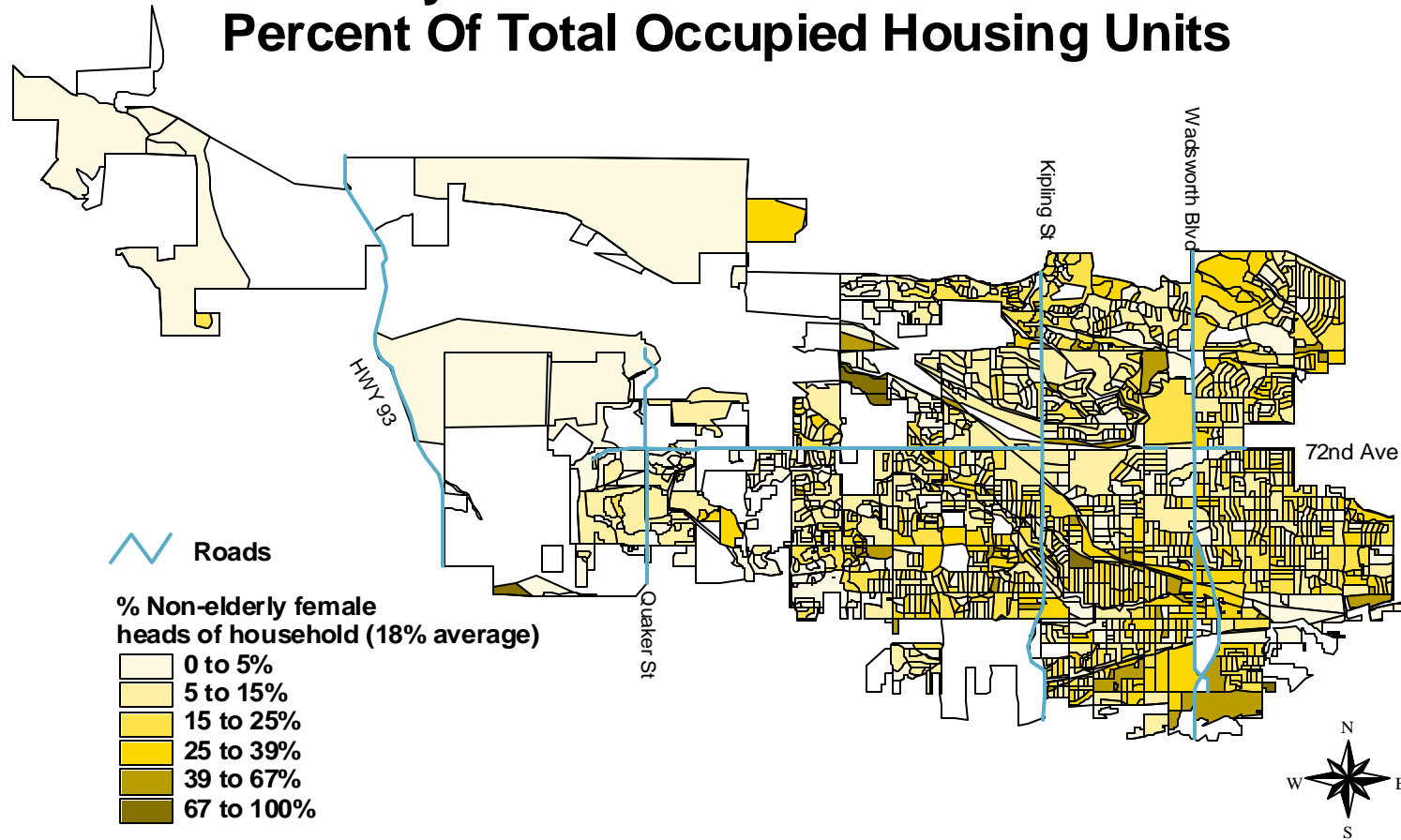
ARVADA - Block Level Persons Age 65 Or Older As A Percent Of Arvada's Total Population



Source: Census 2000; Co. Dept. of Local Affairs; City of Arvada

ARVADA - Block Level

Non-Elderly Female Heads of Household As A Percent Of Total Occupied Housing Units



Source: Census 2000; Co. Dept. of Local Affairs; City of Arvada

Housing Problems

Housing is defined as affordable when the combination of housing payment and utilities does not exceed 30% of monthly income. The 2003 household survey found the following:

- 36% of senior households paid 30% or more of their income for housing. It is likely that the 19% of senior households who paid 40% or more of their monthly income for housing are having difficulties paying for all of their living expenses. Service providers noted that seniors in particular were more likely to pay for housing before other essentials, including food and medicine.
- Renters are facing greater difficulty with housing costs, as one-third pay more than 40% of their monthly income for housing compared to 24% of owners. No owners reported paying more than half their monthly gross income for housing expenses whereas 22% of renters fell into this predicament.

Housing Cost Burden Among Seniors

	Tenure		
	Overall	Own	Rent
30% or less	64	71	56
30.1 to 35%	8	5	11
35.1 to 40%	9	19	
40.1 to 50%	8	5	11
Over 50%	11		22
	100%	100%	100%

Source: Household Survey

- Even with the number of seniors who are housing cost burdened, few reported being behind in their housing payment during the past two years. This supports the observation among service providers that seniors will pay for their housing before other needs.

Behind in Payment Past Two Years

	Overall	Own	Rent
Never	99	99	100
1 - 3 times	1	1	
	100%	100%	100%

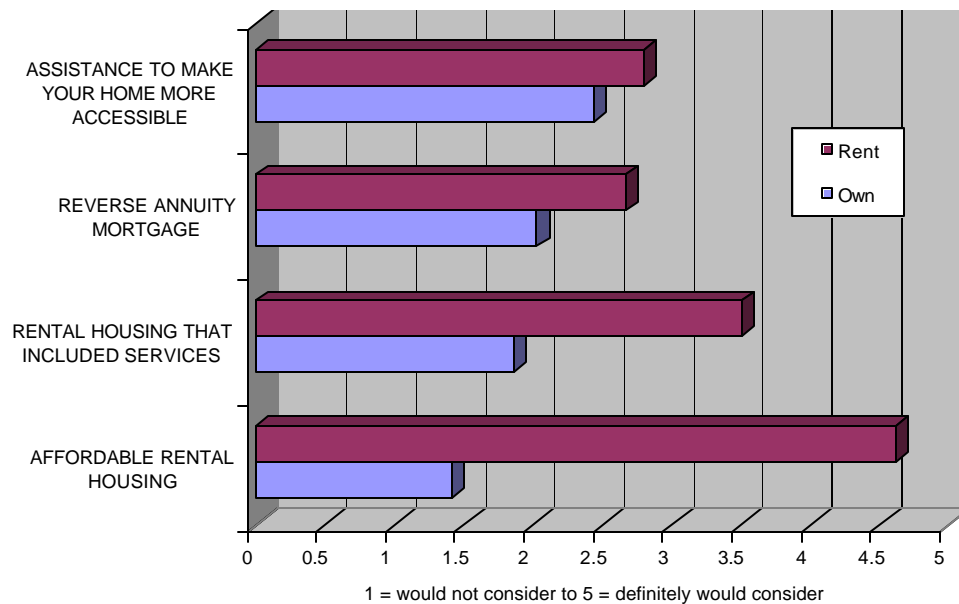
Source: Household Survey

Use of Services

- Renters are more inclined to use services, particularly affordable rental housing.
- Although it appears that owners were lukewarm about a reverse annuity mortgage program and assistance to make their home accessible, 13% of senior owners (973) indicated they would definitely use a reverse annuity mortgage program and 15% (1,123 senior households) would use assistance to make their home more accessible.

- Service providers noted that there were a sufficient number of assisted living and nursing home beds throughout Jefferson County; they were not having difficulty finding places for seniors in need of assistance with daily living or skilled care. There were; however, a lack of Medicaid beds in both assisted living and skilled care, making it very difficult to locate services for lower income seniors in Jefferson County. Arvada has the same predicament – sufficient assisted living and skilled nursing beds for seniors with sufficient income and medical coverage to pay for these services, but a lack of Medicaid beds for very low-income seniors in the community.

Seniors – Would you use the following services?

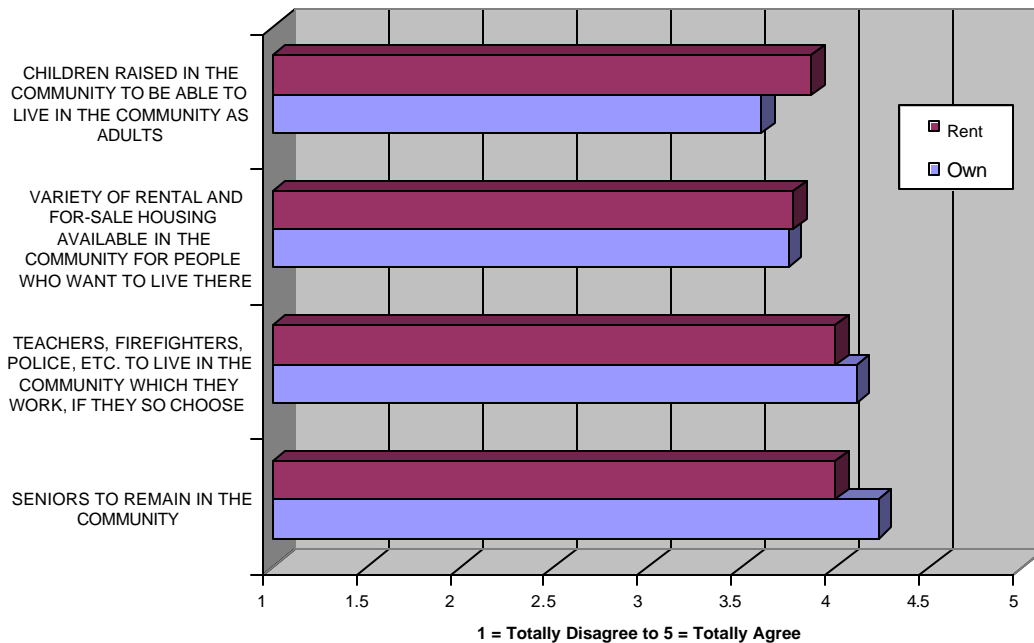


Source: Household Survey

Opinions of Seniors

- Seniors who own their homes feel that seniors should be able to remain in the community and that there should be housing for essential workers.
- Renters also believe it is important for seniors to remain in the community and that housing for essential workers should be available. They are more supportive of children being able to grow up and remain in the community as adults than are seniors who own a home.
- Both renters and owners are somewhat neutral on the question of having a variety of housing available for people who want to live in the community.

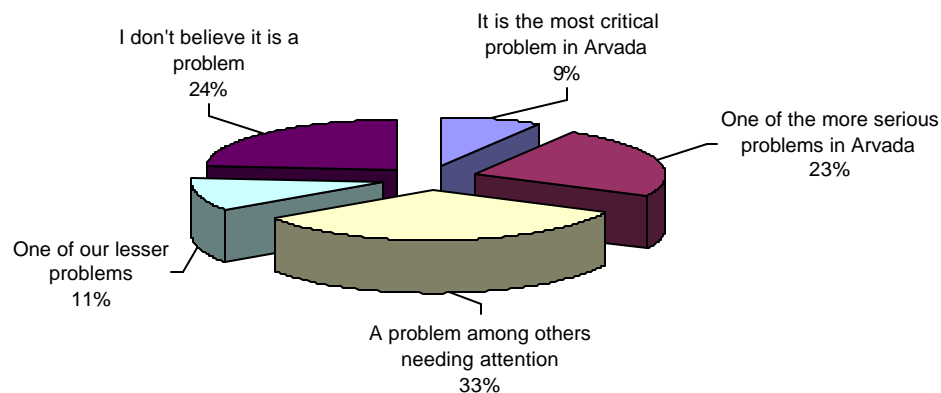
It is important for . .



Source: 2003 Household Survey

Seniors in Arvada are evenly divided about their opinions as to whether or not affordable housing for people who work in Arvada is a problem. Roughly one-third believe it is one of the more critical or serious problems in the community, with another third seeing it as a problem among others and about one-third who believe it is a lesser problem or not a problem.

How do you feel about the problem of finding housing that is affordable for people who work in the city of Arvada?



Source: 2003 Household Survey

Seniors and Disability

- Owners are more likely to have a disabled person than renters. 25% of owner households have one or more disabled persons. Renters are more likely to have one person needing in-home care, whereas more owners have persons in their household who are hearing and/or mobility impaired.

Persons in Household With a Disability				
	# of Persons	Overall	Own	Rent
HOW MANY PERSONS HAVE	None	76	76	83
A DISABILITY	One Person	20	20	17
	Two People	3	4	
IN-HOME CARE	One Person	6	3	8
MOBILITY IMPAIRMENT	One Person	16	16	8
	Two People	1	1	
HEARING IMPAIRED	One Person	8	9	
	Two People	2		8

Source: 2003 Household Survey

Households With a Disabled Person

According to the household survey, about 15% of households in Arvada have a person with a disability. This equates to 5,853 households. Households with one or more disabled persons are most likely to live in southeast Arvada. Among households with a disabled person who rent, 67% live in this part of Arvada. Among owners, those with a disabled person are most likely to live in the southern quadrants of the community.

Households With a Disabled Person

Number of Persons	% of Households	Own	Rent
None	85	87	82
1	13	11	16
2	2	2	2
Area of Arvada			
NW	5	7	
NE	15	15	17
SE	43	35	67
SW	38	43	17
	100%	100%	100%

Source: Household Survey

- Households with a disabled person are most likely to have lived in Arvada for 10 or more years. There is no clear pattern of disabled by household type, which is unusual. Typically, households with a person who is disabled are adults living alone or couples without children. In Arvada, only unrelated roommates are less likely to have a disabled person in the household.
- The distribution of households with a disabled person changes when owners and renters are compared. Renters with a disabled person are more likely to be adults living alone, whereas owners are more likely to be couples with children and empty nesters.

Length of time in Arvada and Household Type – HH with a Disabled Person

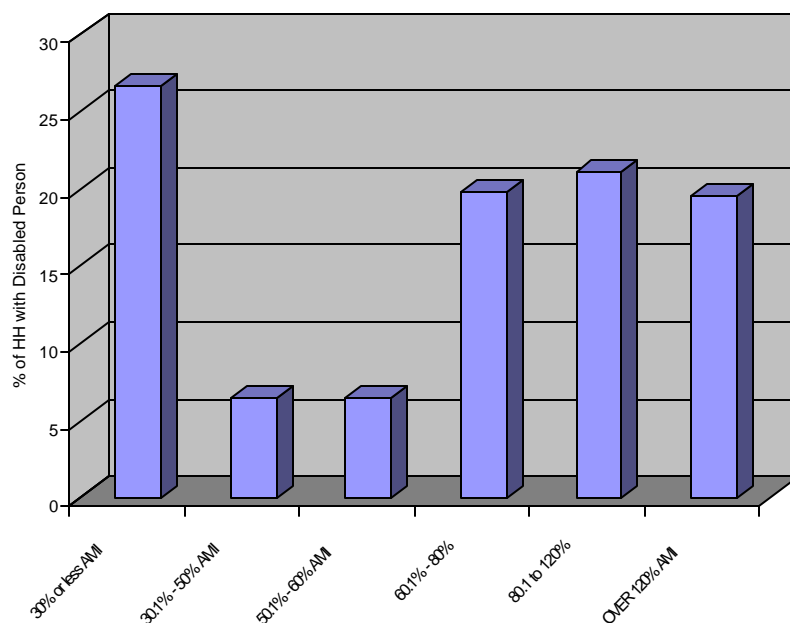
	Overall	Own	Rent
1 to 2 years	8		22
3 to 5 years	10	6	22
6 to 10 years	10	8	11
More than 10 years	64	79	33
All my life/ Have always lived here	8	8	11
	100%	100%	100%
Adult living alone	21	9	44
Couple, no children	18	17	22
Couple, with children	20	30	
Single parent with children	8	6	11
Empty-Nester	20	30	
Unrelated roommates	1	2	
Family members and unrelated roommates	10	4	22
Other	3	2	
	100%	100%	100%

Source: Household Survey

Income of Households With Disabled Person

The median income of households with a disabled person is \$38,714. Over one-quarter of households with a disabled person earn less than 30% of the Area Median Income and would be eligible for housing assistance and other services.

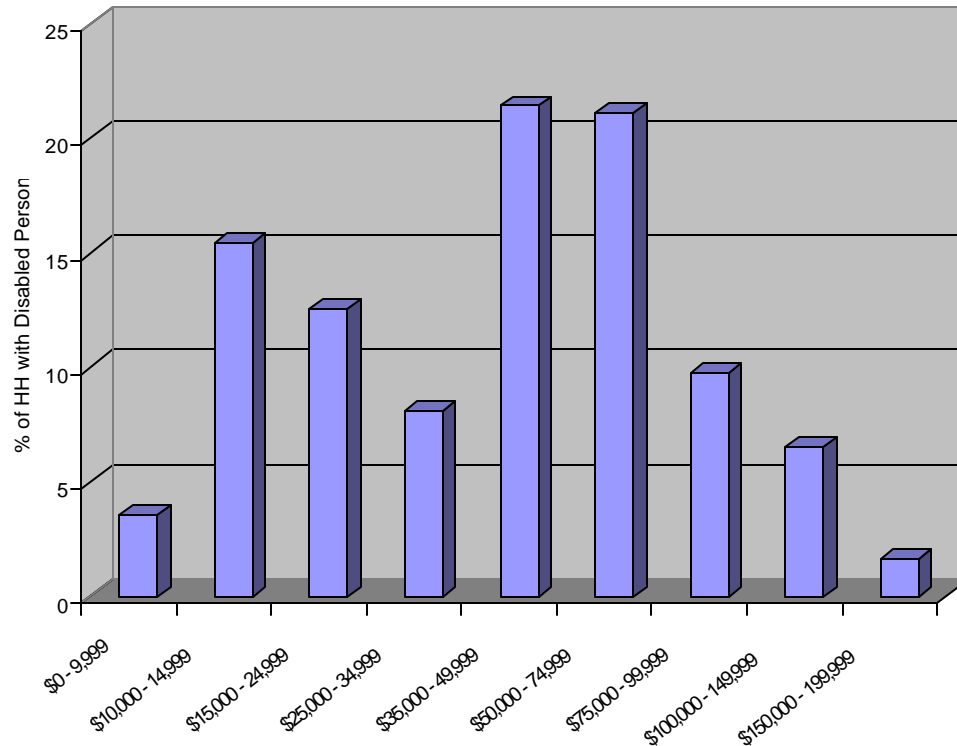
Income Distribution by Area Median Income – Disabled Households



Source: Household Survey

There is a bi-modal distribution of household income among those with a disabled person. This means that there is a grouping of households at the lower end of the income scale and again toward the higher end of the income. This type of distribution indicates that households with a disabled person are either very poor or have moderate to higher incomes with few found in the low-income range.

Income Distribution of Households With a Disabled Person



Types of Disability

- Among households with a disabled person, 86% are one-person households.
- Among households with a disabled person, mobility impairments are the most prevalent (45%), followed by hearing impairments (24% of households with a disabled person).

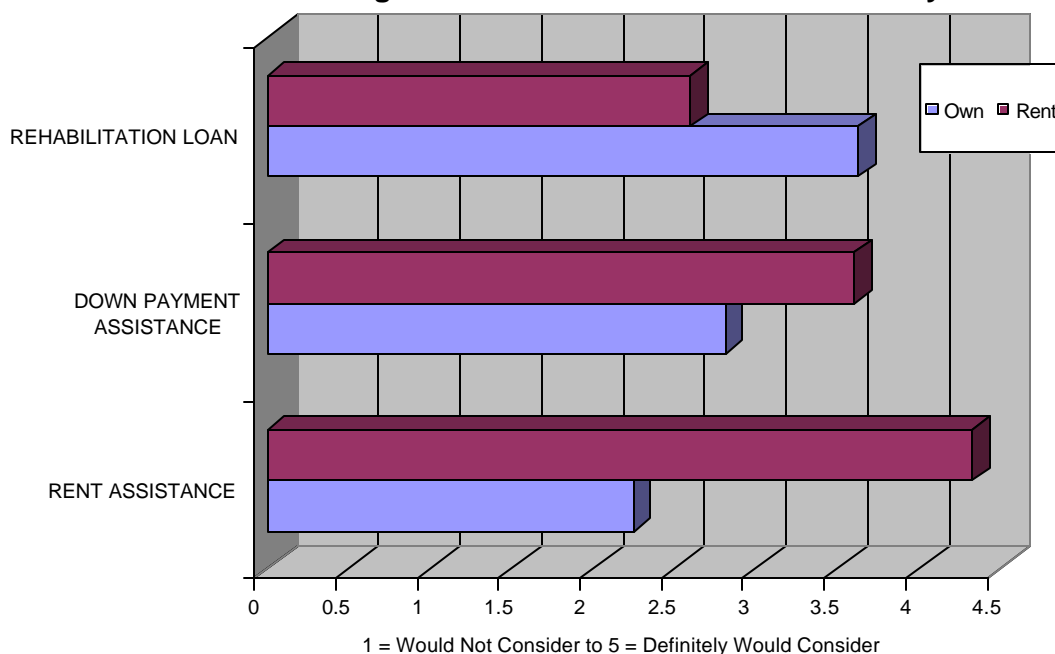
Types of Disabilities				
	# of Person	Overall	Own	Rent
% of HH With a Disabled Person by Size and Tenure				
	1 PHH		86	85
	2 PHH		14	15
Number of people in household with the following disabilities:				
		100%	100%	100%
IN-HOME CARE	None		87	88
	1		13	12
MOBILITY IMPAIRMENT	None		54	52
	1		44	46
	2		1	2
HEARING IMPAIRED	None		76	77
	1		21	23
	2		3	
WORK-RELATED DISABILITY	None		82	79
	1		16	19
	2		1	2
DEVELOPMENTALLY DISABLED	None		88	87
	1		12	13
CHRONICALLY MENTALLY ILL	None		99	98
	1		1	2
BLIND	None		94	96
	1		6	4
	2			
OTHER	None		78	73
	1		20	25
	2		1	2

Source: Household Survey

Use of Services

Households with a disabled person would be most likely to use rental assistance to lower the amount they pay for rent. Owners with a disabled person are interested in rehabilitation loans. There was only modest consideration among renters for using down payment assistance.

Use of Services Among Households With a Disabled Person by Tenure



Housing Problems

- About 41% of households with a disabled person pay more than 30% of their income for housing. Close to 28% pay 50% or more of their income, indicating that paying for their homes may be a problem.
- About 6.5% of households with a disabled person have been behind in their housing payment one or more times during the past year.

Housing Cost Burden

% of Monthly Income or Housing	% of HH with a Disabled Person
30% or less	50
30.1 to 35%	9
35.1 to 40%	11
40.1 to 50%	2
Over 50%	28
Total	100%

Source: Household Survey

- Over 80% of households with a disabled person indicated that the housing in which they currently reside accommodates the person(s) with a disability. An estimated 1,024 households with a disabled person indicated that their current living arrangement does not satisfactorily accommodate their disability.

Employment Among the Disabled

About 43% of households with a disabled person are self-employed, employed by others or are students. Close to 40% are retired and another 7% are homemakers.

Employment Status			
	Overall	Own	Rent
Self employed	7	10	2
Employed by others	32	31	29
Unemployed	12	9	19
Homemaker	7	5	10
Retired	39	39	39
Student	4	5	
	100%	100%	100%

Source: Household Survey

Homeless

In 2000, the Metro Denver Homeless Initiative (MDHI) conducted a survey of homeless in the six metro counties of Adams, Arapahoe, Boulder, Denver, Douglas and Jefferson. MDHI adopted the definition of Homelessness provided by the U.S. Department of Housing and Urban Development. This definition states that a person was considered homeless when s/he lived in one of the following:

- A place not meant for human habitation, such as cars, parks, sidewalks, and abandoned buildings;
- In an emergency shelter;
- In transitional or supportive housing for homeless persons who originally came from the streets or emergency shelters;
- In one of the above places but is spending a short time in a hospital or other institution;
- Is being evicted within a week from a private dwelling unit and no subsequent residence has been identified and the person lacks the resources and support networks needed to obtain housing; or,
- Is being discharged within a week from an institution in which the person has been a resident for more than 30 consecutive days and no subsequent residence has been identified and s/he lacks the resources and support networks needed to obtain housing.

MDHI did a point in time survey of people experiencing homelessness in the six-county Denver metropolitan area on a single day and evening in January of 2003. The findings reported are based on completed surveys from 1,985 families representing a total of 6,511 persons and 3,214 single individuals.

A total of 9,725 persons in the metropolitan area were counted as homeless on January 27, 2003. Of the total homeless persons counted 3,214 were single individuals including 401 single youths on their own between the ages of 9 and 21. Another 3,452 were adults or youth headed families, and approximately one-third -- 3,059 -- were children in families.

Single Adult Individuals (21 years and older)	2,813
Adults or Youth Headed Families	3,452
Children in Families (Under 18 years)	3,059
Single Youth not in Families (12 years – 21 years)	401
Total Unduplicated Persons Counted	9,725

Results of this survey suggest that the annual prevalence of homelessness in the Denver metropolitan area is close to 31,217 persons each year.

Of the 9,725 persons surveyed, 1,267 (13%) indicated that Jefferson County was their last permanent county of residence.

Individuals and Family Status Comparison

Family Status	Families 2001	Families 2003	People 2001	People 2003	% of Persons 2001	% of Persons 2003
One Parent Families*	1,263	1,103	3,861	3,512	43.5%	36.1%
Two Parent Families**	341	372	1,517	1,662	17.1%	17.1%
Couples without Children***	135	205	274	428	3.1%	4.4%
Other Family Compositions	61	217	168	909	1.9%	9.3%
Total Families	1,800	1,985	5,820	6,511	65.6%	66.9%
Single Individuals (18 & older)			2,959	3,156	33.4%	32.5%
Homeless Youth (10-17)			92	58	<1%	.6%
Total Single Persons			3,051	3,214	34.4%	33.1%
TOTALS			8,871	9,725	100%	100%

Notes:

* 56% are one-parent families (2001 study was 70% one-parent families) (2000 study was 76% one-parent families)

** 19% are two-parent families (2001 study was 19% two-parent families) (2000 study was 13% two-parent families)

*** 10% are couples without children (2001 study was 7.5% for couples without children)

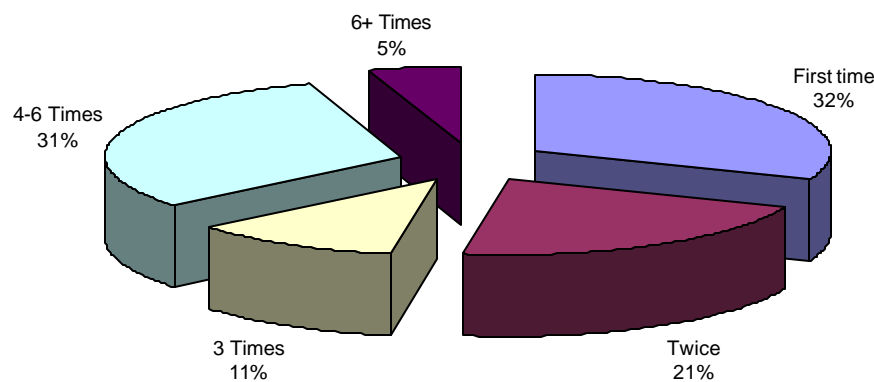
**What was the last county you lived in before you became homeless?
(County)**

		Frequency	Percent	Cumulative Percent
Valid	Denver	3425	35.2	35.2
	Adams County	1437	14.8	50.0
	Jefferson County	1267	13.0	63.0
	Arapahoe County	1148	11.8	74.8
	Boulder County	932	9.6	84.4
	Other state	726	7.5	91.9
	Other place in Colorado	319	3.3	95.2
	Not answered	258	2.7	97.8
	Other country	104	1.1	98.9
	Broomfield	68	.7	99.6
	Douglas County	41	.4	100.0
	Total	9725	100.0	

Source: 2003 MDHI Homeless Survey

The study found that about one-third of the homeless were new to this experience. The remaining homeless persons had been in this situation two or more times.

Number of Times Homeless



2003 MDHI Point In Time Survey

Most of those responding to the survey indicated they had been homeless for six or fewer months. It is important to note that these are homeless who are not in any transitional housing.

Length of Homelessness Not Including Transitional Housing

		Frequency	Valid Percent	Cumulative Percent
Valid	less than 30 days	1441	20.8	20.8
	30 – 90 days	1545	22.3	43.1
	3 to six months	1130	16.3	59.5
	six months to one year	920	13.3	72.8
	one to two years	675	9.8	82.5
	two to five years	411	5.9	88.4
	five to ten years	176	2.5	91.0
	ten or more years	171	2.5	93.5
	Not answered	453	6.5	100.0
	Total	6922	100.0	

To understand where most homeless may be staying, information from the 2000 Point in Time study was used. Of those responding to the 2000 survey, 18% had spent the previous night in Jefferson County.

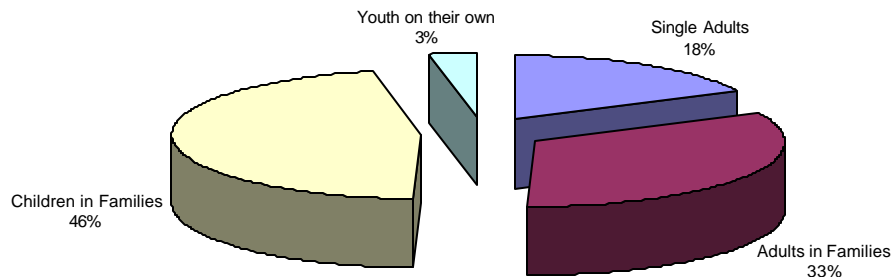
Where Did You Spend the Previous Night?

	Last Night	% of Respondents
Denver	2,953	49.7%
Jefferson	1,119	18.8%
Boulder	819	13.8%
Adams	556	9.4%
Arapahoe	454	7.6%
Other Colorado	25	0.4%
Douglas	5	0.1%
Other State	5	0.1%
Not Applicable	3	0.1%
Traveling	2	0.0%
Other Country	1	0.0%
Total	5,942	100%

Source: 2000 MDHI Homeless Survey

Of the homeless who spent their previous night in Jefferson County in 2000, the majority were families with children under the age of 17 (46%), followed by Adults in Families (age 18 or older).

Homeless Characteristics – Jefferson County



Homeless in Arvada

The 2000 MDHI Homeless survey found that approximately 4% of the homeless had previously lived in Arvada.

Last City of Permanent Residence

	Number	%
Denver	2,221	36.5%
Other State	730	12.0%
Aurora	698	11.5%
Lakewood	336	5.5%
Boulder	280	4.6%
Arvada	244	4.0%
Longmont	206	3.4%
Other Colorado	194	3.2%
Thornton	174	2.9%
Commerce City	107	1.8%
Westminster	105	1.7%
Other Metro Communities	455	7.5%
No Response	338	5.6%
TOTAL	6,088	100%

Causes of Homelessness

As part of the survey, MDHI sought to understand why individuals and families were homeless. In 2003, unemployment and inability to pay rent or mortgage were reported as the two highest causes for homelessness among both individuals and families. Other causes of homelessness as reported by survey respondents varied between individuals and families. Substance abuse and mental illness were cited as causes of homelessness for individuals more often than for families; whereas, domestic violence was a larger contributing factor in family homelessness.

The top reason noted by those responding to the survey for being homeless was unemployment, followed by inability to pay rent/mortgage. Alcohol and substance abuse was the third highest cause of homelessness, with domestic violence reported as the fourth top reason. These findings are consistent with the information provided by service agency representatives who participated in the key informant interviews. They noted an increase in requests for assistance of all types (housing, food stamps, child care, etc.) because of increasing unemployment and lack of new jobs. Service agency representatives noted that most of the households requesting assistance had been employed and had good employment histories, but with the down turn in the economy many were laid off and unable to find jobs that paid enough for them to cover their living expenses.

The following chart provides information about the reasons for homelessness among individuals and families.

Reasons for Homelessness

Reasons for Homelessness	Highest To Lowest	Overall Count	Percent Of Cases	Individual Count	Individual Percent	Family Count	Family Percent
Unemployment	1	4,517	54.1%	1,681	60.1%	2,836	51.1%
Unable to Pay Rent/Mortgage	2	3,996	47.8%	949	33.9%	3,047	54.9%
Alcohol and Substance Abuse	3	1,192	14.3%	653	23.3%	539	9.7%
Domestic Violence	4	1,136	13.6%	159	5.7%	977	17.6%
Family Member/Personal Illness	5	1,125	13.5%	291	10.4%	834	15%
%Unable to Pay Utilities	6	1,023	12.2%	235	8.4%	788	14.2%
Mental Illness	7	990	11.9%	535	19.1%	455	8.2%
Bad Credit History	8	963	11.5%	243	8.7%	720	13%
Moved to Seek Work	9	926	11.1%	255	9.1%	671	12%
Physical Disabilities	10	709	8.5%	328	11.7%	381	6.9%
Discharge Prison/Jail	11	568	6.8%	315	11.3%	253	4.6%
Welfare Issues	12	497	5.9%	90	3.2%	407	5.3%
Child Abuse	13	187	2.2%	70	2.5%	117	2.1%
Sexual Orientation	14	71	0.4%	30	1.1%	41	0.7%

Source: MDHI Survey

OPPORTUNITIES AND CONSTRAINTS

This section of the report reviews opportunities to be considered in Arvada based on findings of the study and key informant interviews. It focuses primarily on for-sale opportunities, program options that may have support and interest in the community, and rental housing.

For Sale Housing Demand

This section examines gaps in the housing market relative to demand for housing in Arvada. This information is intended to be used to estimate where housing programs may need to be focused to improve affordability for residents and employees in Arvada. It is not intended to be a definitive representation of market demand for housing produced at different AMI ranges. It does provide some indication of where housing demand is the greatest today and into the future.

Existing Potential Demand – Entry Level Buyers

Renters are more likely to want to buy a home within the next two years. Together, the potential market for buyers would be approximately 15,000 homes. Most of the potential buyers currently live in southern Arvada; however, this is also the area where most renters currently live.

Want to Buy

	Owners	Renters	TOTAL
NW	996	551	1,547
NE	2,277	1,101	3,379
SE	1,423	4,484	5,907
SW	2,420	1,731	4,150
TOTAL	7,117	7,866	14,983

Source: Household Survey

Most buyers earning 80% to 120% of the Area Median Income would be entry-level buyers or those seeking to move up from their first home to a slightly larger unit. In Arvada, homes priced at \$138,000 for a one-person household earning 80% of the AMI up to \$248,000 for a three-bedroom that is affordable to households at 120% of the AMI would be needed. It is likely that most of these buyers would be renters, although many current owners fall within this income range. Current owners are more likely to have equity from the sale of a home that would allow them to purchase a higher priced home; however, the amount owners in this income range could pay and retain an affordable housing payment is the same as renters. The difference is equity that could be applied to the sales price of a home.

Buyers by Area Median Income

Owners		Renters		TOTAL
% by AMI	# by AMI	% by AMI	# by AMI	
30% or less AMI	2.5% 178	35.0% 2,753		2,931
30.1% - 50% AMI	5.0% 356	17.5% 1,377		1,732
50.1% - 60% AMI	2.5% 178	12.5% 983		1,161
60.1% - 80%	13.0% 925	7.5% 590		1,515
80.1 to 120%	35.0% 2,491	17.5% 1,377		3,868
OVER 120% AMI	42.0% 2,989	10.0% 787		3,776
100.0%	7,117	100% 7,866		14,983

Source: Household Survey

Demand from Employment Growth

The household survey found that there was an average of 1.3 employed persons per household in Arvada. Assuming that 25% of residents continue to work in Arvada as jobs increase provides an estimate of housing needed to maintain the existing number of resident workers in the community. To maintain the existing jobs to housing relationship, Arvada would need to add 1,236 homes from 2000 to 2005. In the next five-year period, (2005 to 2010) another 1,183 homes would be needed to keep up with job growth and retain the current relationship of residents who live and work in Arvada.

Housing Demand and Job Growth

Year	Employment	Percent Change	Number of New Jobs Held by Residents	Employees Per HH	Housing Demand
2000	30,944		14,821		
2005	34,291	10.80%	1,607	1.3	1,236
2010	37,496	9.30%	1,538	1.3	1,183
2015	40,700	8.50%	1,538	1.3	1,183

Sources: DRCOG Employment Forecast and Household Survey Results

Rental Housing GAP Analysis

To estimate the gap between the supply of affordably priced rental units and the demand for these units from renter households the 2000 Census information was used. An affordable rent was calculated using the highest income for each income range (see chart below). This "rent" was then compared to the number of rental units that were in this price range at the time the 2000 Census was conducted. The number of affordable rental units in this range was compared to the number of households that fell into that income category.

The gap analysis illustrates that there was a greater need for units priced at or below \$500 per month. There was an excess of supply for rental units priced at \$625 to \$875 than renters whose income "fit" this affordability range. What this means is that rental housing priced at \$625 to \$875 was being occupied by households earning \$20,000 per year or less as well as those earning above \$50,000. In other words, because there is an insufficient supply of lower priced rental housing, lower income households compete against higher income renters for rental housing priced at \$625 to \$875.

The shaded area below indicates the more significant gaps in the rental housing supply in Arvada. In 2000 there were approximately 1,460 fewer units that were affordable to renter households who earned less than \$20,000 per year.

Gap in Rental Housing Supply

Renter Income Distribution	Number of Renters	% of Renters	Affordable Rent Payment	# of Rentals at Affordable Rent	% of Rentals	GAP
Less than \$5,000	396	4.2%	\$125	155	1.6%	-242
\$5,000 to \$9,999	776	8.2%	\$250	365	3.8%	-412
\$10,000 to \$14,999	761	8.0%	\$375	263	2.8%	-499
\$15,000 to \$19,999	804	8.4%	\$500	498	5.2%	-307
\$20,000 to \$24,999	747	7.8%	\$625	2038	21.4%	1,291
\$25,000 to \$34,999	1,585	16.6%	\$875	3248	34.2%	1,663
\$35,000 to \$49,999	1,822	19.1%	\$1,250	1767	18.6%	-55
\$50,000 to \$74,999	1,775	18.6%	\$1,875	730	7.7%	-1,045
\$75,000 to \$99,999+	854	9.0%	\$2,500	471	5.0%	-383
TOTAL	9,520	100%		9,533		

Source: 2000 Census and McCormick and Associates calculations

For Sale Opportunities

In Arvada, there are about 7,000 owners who would like to buy another home within the next two years and about 7,600 renters who would like to purchase a home. Most renters seeking to buy live in southeastern Arvada (57%) and around one-third of owners are in northeast Arvada and another third are in southwest Arvada.

Would Like to Buy a Home

	Owners		Renters	
NW	1,037	15%	616	8%
NE	2,247	32%	1,026	14%
SE	1,383	20%	4,310	57%
SW	2,420	34%	1,642	22%
TOTAL	7,086	100%	7,594	100%

Source: 2003 Household Survey

Over half of the renters looking to buy are one- or two-person households (60%), indicating that smaller, attached housing may be suitable for these buyers. Among owners, close to half have three or more persons.

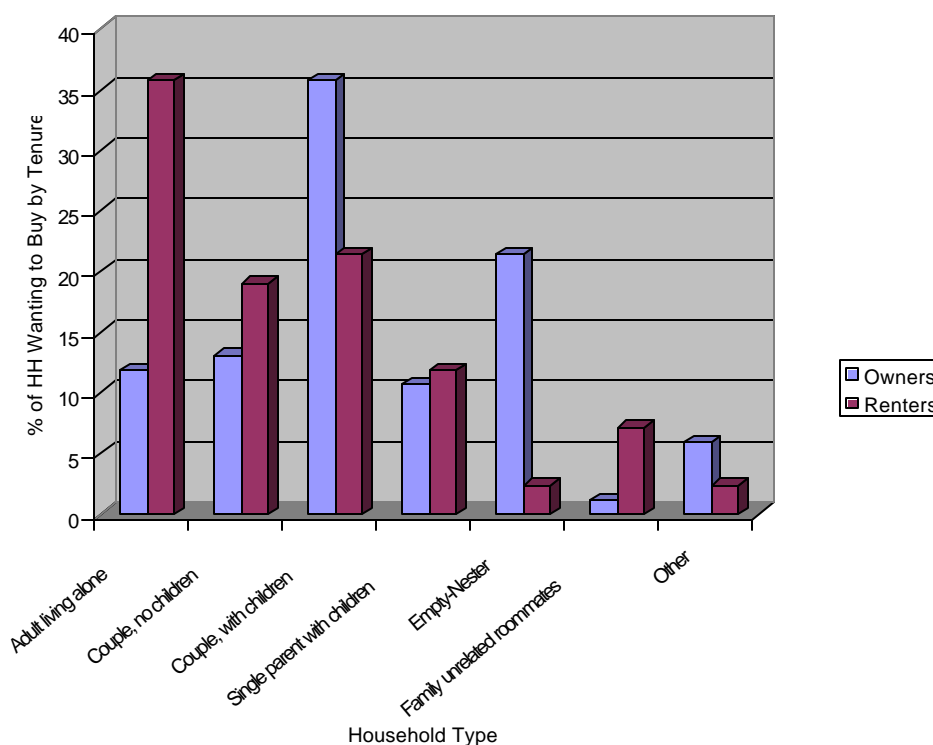
Household Size of Renters and Owners Wanting to Buy

	Owners	Renters
1 Person	16	36
2 Persons	36	24
3 Persons	18	19
4 Persons	16	10
5 Persons	7	10
6+ Persons	7	2
TOTAL	100%	100%
Average Household Size	2.9	2.4

Source: Household Survey

Owners looking to buy are more likely to be couples with children. Around 20% of owners wanting to buy defined themselves as “empty-nesters”. Among renters looking to buy, over one-third are adults living alone. Another 20% are couples with children.

Household Types Who Want to Buy



Income of Potential Buyers

- Generally, renters earning 60% or more of the Area Median Income are considered candidates for purchasing their first home. Among renters interested in buying a home, 2,658 earn at or above this level.

- Most owners are looking to purchase a larger home. Of owners interested in buying, 6,368 earn 60% or more of the AMI. Owners typically have equity from the sale of an existing home that can be used to purchase a step-up or larger home.

Area Median Income of Potential Buyers by Tenure				
	Owners		Renters	
		# of Owners		# of Renters
30% or less AMI	3%	179	35%	2,658
30.1% - 50% AMI	5%	359	18%	1,329
50.1% - 60% AMI	3%	179	13%	949
60.1% - 80%	13%	896	8%	570
80.1 to 120%	35%	2,511	18%	1,329
OVER 120% AMI	42%	2,960	10%	759
	100%	7,084	100%	7,594

Source: Household Survey

The following table shows affordable sales prices for different household sizes by various levels of the Area Median Income. These prices assume a 6.5% interest rate for a 30-year loan with a 5% down payment. To remain affordable, 30% of gross monthly income was used, with 15% of this amount allocated for taxes, insurance, private mortgage insurance and homeowner dues.

Affordable Sales Prices by Area Median Income and Household Size

	60% AMI	Sales Price	80% AMI	Sales Price	100%	Sales Price	120%	Sales Price
1 person	\$29,340	\$80,623	\$39,150	\$138,684	\$48,900	\$134,371	\$58,680	\$161,245
2 person (2-BDR)	\$33,540	\$94,956	\$44,750	\$158,502	\$55,900	\$158,261	\$67,080	\$189,913
3 person (3-BDR)	\$37,740	\$109,990	\$50,350	\$178,320	\$62,900	\$183,316	\$75,480	\$219,980
4 person(3-BDR)	\$41,940	\$123,976	\$55,900		\$69,900	\$206,627	\$83,880	\$247,953
5 person (4-BDR)	\$45,300	\$135,795	\$60,400	\$220,163	\$75,500	\$226,325	\$90,600	\$271,590
6 person (4-BDR)	\$48,660	\$149,919	\$64,850	\$232,362	\$81,100	\$249,865	\$97,320	\$299,838

Realtors participating in the key informant interview generally agreed that housing priced at or below \$150,000 would be affordable, although one person made the point that a home is affordable at any price if a household could buy it.

One Realtor had perused the MLS prior to the meeting and noted that there were 56 three-bedroom/one-bath homes for sale *in all of Jefferson County* for under \$160,000. Homes in these price ranges were usually built in the 1950's and are slab on grade with one-car garages that are in need of repairs. Homes for less than \$150,000 tend to be condominiums or town homes.

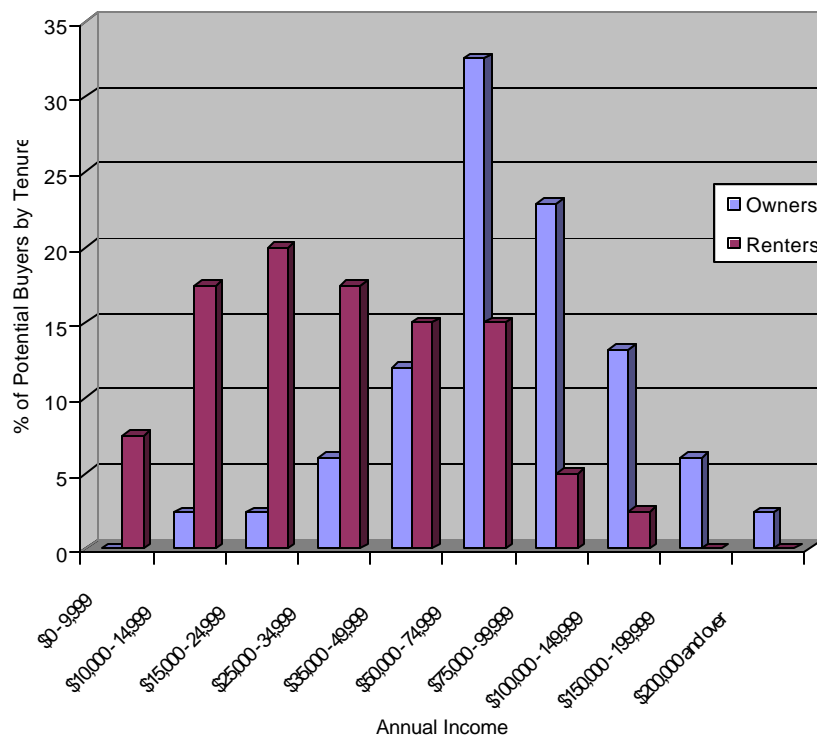
The Realtors noted that buyers looking for homes in this price range usually work in Jefferson or Denver County and are attracted to Arvada for its sense of community, good schools and overall quality of life. They would prefer to live in Jefferson County; however, with the older product type and higher costs, they often end up buying a home

in Adams County, usually in the Thornton/Aurora/Brighton areas. There are large production builders in Adams County that are able to develop new product and sell it for the same price as older housing in Jefferson County. The commute time into Denver is about 15 minutes longer; but a buyer can get a newer, larger home. Since the commute is not increased substantially and a newer home for the same price can be purchased in these areas, new buyers will often choose to leave Jefferson County.

Developers of higher end product (homes selling for \$300,000+) felt that the market was good and were planning on increasing the number of units produced in this price range to meet anticipated demand over the next couple of years. They have seen a slow-down in sales of existing homes, which has affected the pace of sales for new homes, although not the interest in the product. Sales of existing homes are taking a longer time, which means contracts to purchase new homes have been affected. Interest rates have helped considerably with the sales of new homes, as buyers are able to purchase more house with the lower rates than three or four years ago when rates were higher.

Over one-third of owners who want to buy earn \$50,000 to \$74,999. Interest in buying among owners decreases on either side of this income range. Among renters, there is an interest in buying all along the income distribution.

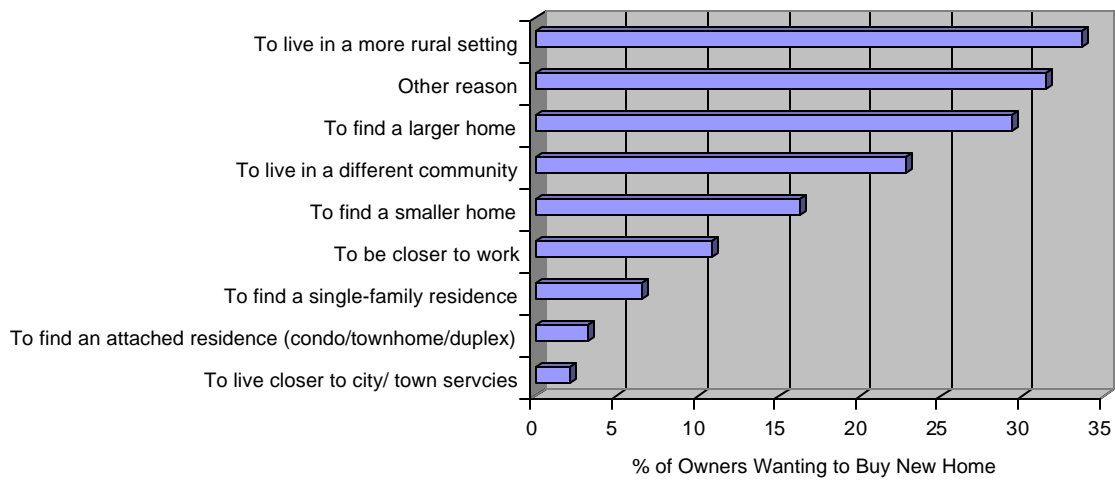
Income Distribution of Potential Buyers by Tenure



Source: Household Survey

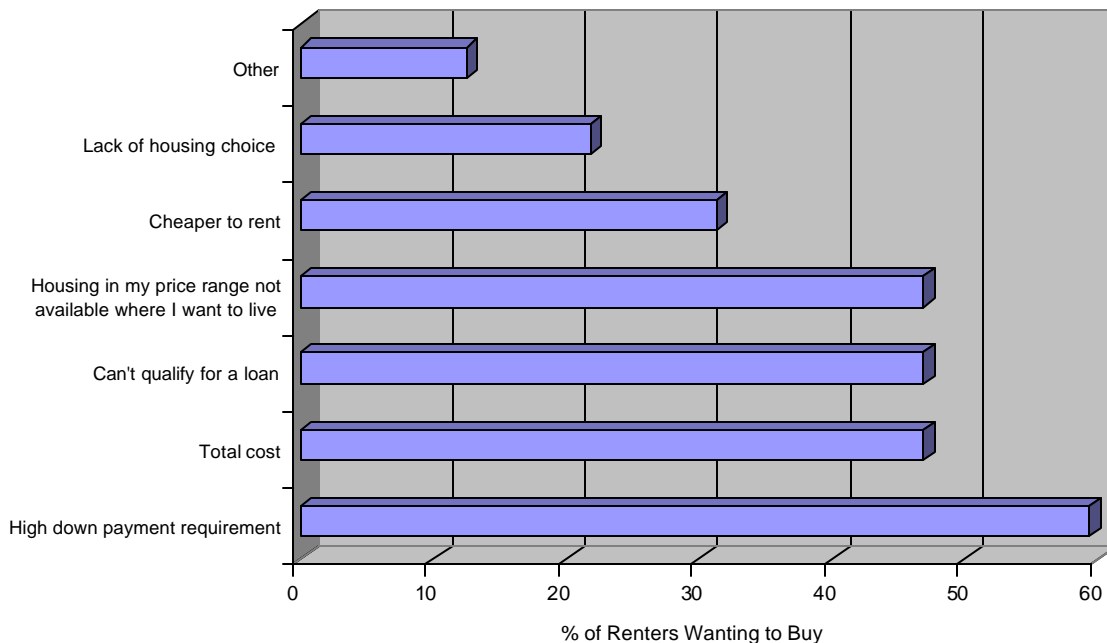
Among owners wanting to buy, the most prevalent reason was to live in a rural setting, followed by “other” and to find a larger home.

Reasons Owners Want to Buy a Different Home



Lack of a down payment was a major reason that 60% of those who rent and want to buy have not purchased a home. Renters wanting to buy also noted the total cost, loan qualifications and housing that was affordable in a place they wanted to live, as primary reasons for why they had not bought a home.

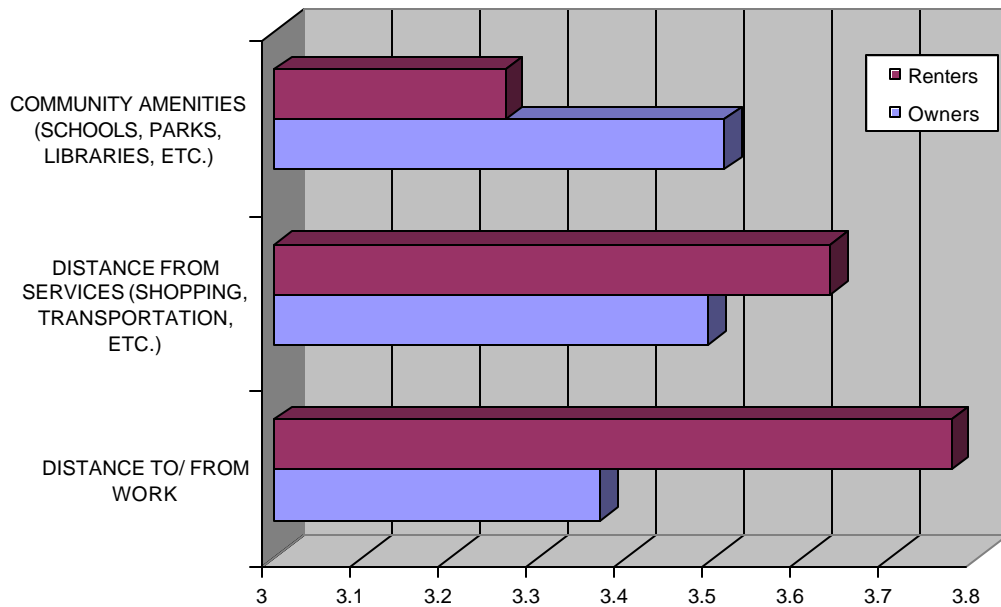
Why Renters Have Not Purchased a Home



When asked about important factors when considering a place to live, renters were more inclined to consider the distance to and from work as very important and proximity to services as somewhat important. For owners, community amenities were a more

important consideration than either proximity to work or services, although none of these could be defined as very important among owners looking to buy.

How important are the following when considering a place to live.

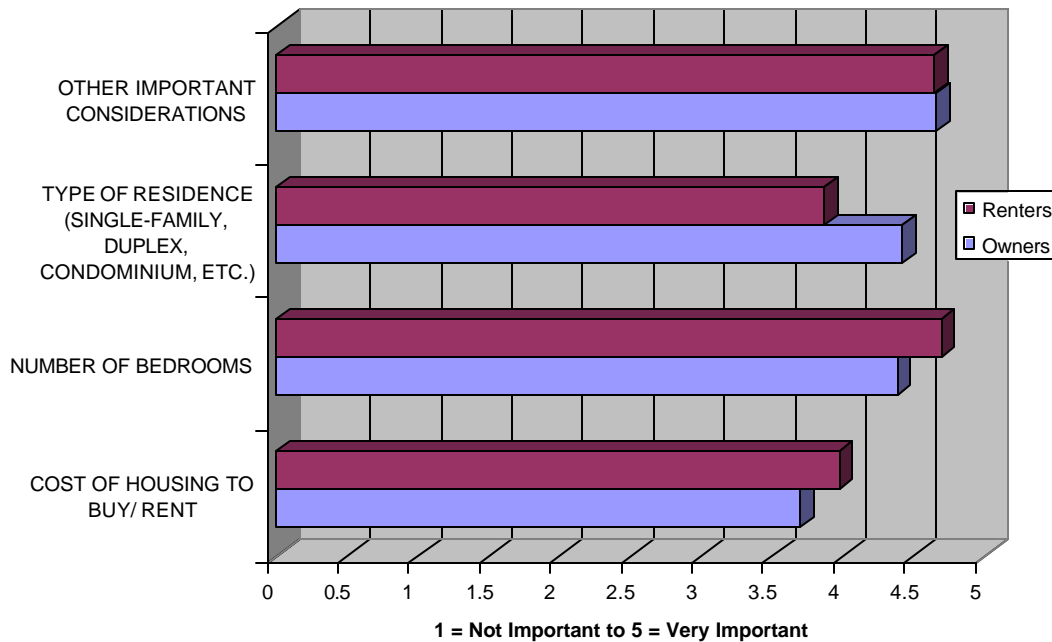


1 = Not at all important to 5 = Very Important

Among other factors potential buyers consider when looking for a place to live, “other” was considered very important. These included a sense of community, the neighborhood in which the home was located and a sense of security. These were valued equally among renters and owners.

The type of residence was more important to owners than renters. The cost of housing and number of bedrooms were more important to renters than to owners.

Other Important Factors to Consider When Looking for a Place to Live



The survey asked potential buyers if they would prefer newer or older homes. Renters were more likely to consider a “fixer-upper” than owners. Owners were fairly evenly split among buying a smaller new home for the same price as an old one, an older home in good condition or had no preference as long as the home was in their price range.

Looking to buy a home and recognizing some trade-offs, would you prefer. .

	Owners	Renters
Buy new home that is smaller than an old home for same price	29	12
Buy older home in good condition that costs less than new	29	35
Purchase fixer-upper that costs less than new or older home	6	23
No preference as long as the residence is in my price range	36	31
	100%	100%

Realtors were asked to comment on the potential of “fixer-uppers” for first time buyers. They noted that often buyers who indicate that they are willing to purchase this type of home “run away” when they see the small rooms, closets and small bathrooms. Realtors felt that the cost of fixing these homes up could cost as much as half of the initial purchase price if an addition were involved. It was also noted that while first time buyers may be willing to purchase a “fixer-upper”, they are often younger and have small children and very little time to devote to upgrading an older home.

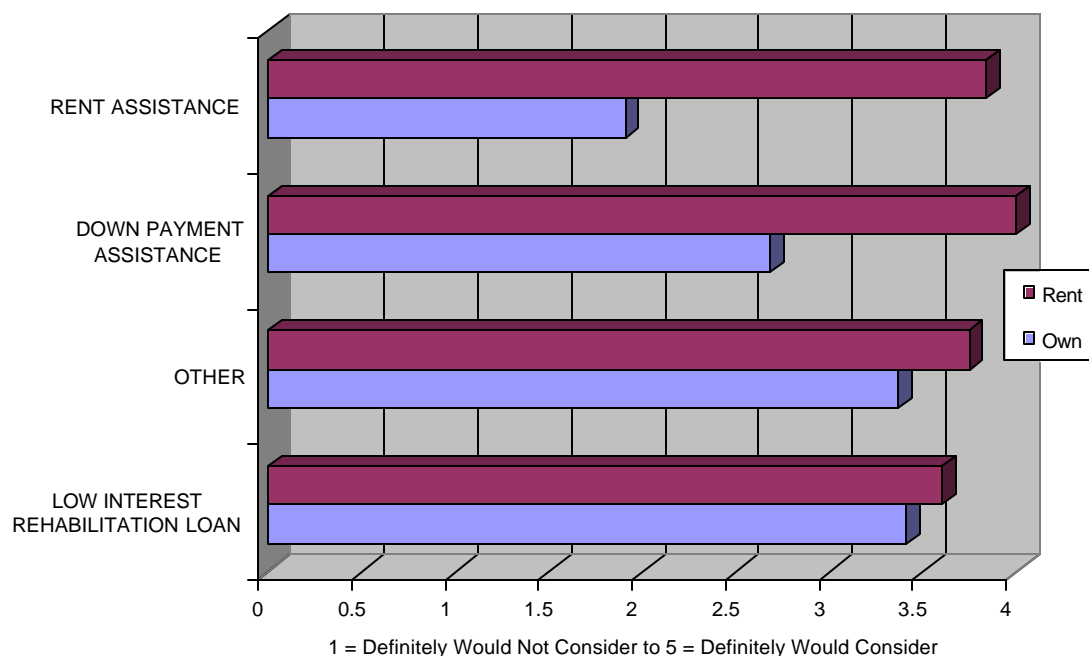
One suggestion to enhance the purchase of older homes would involve some entity acquiring them and making some upgrades prior to placing them back on the market for new buyers. The priority would be to install windows and doors that are more energy efficient, as well as look at more energy efficient furnaces. These improvements might help owners who would buy a “fixer-upper” or those who want a small, energy efficient home who would not have the cash to make these initial improvements.

Patio homes for seniors were noted as an unmet market need in the metro area as a whole and Arvada specifically. Seniors are often looking for maintenance free living in a ranch style home or at least with a main level master bedroom. Reasonably priced patio homes (under \$350,000) are missing from the market.

Down Payment Assistance, Rehabilitation and Rental Assistance Program

Of the program options described in the survey, renters would consider using all of them, particularly rent assistance and down payment assistance. Owners would consider a rehabilitation loan program to make energy, health and safety improvements to their homes. Owners indicated they would be likely to consider other program options.

Types of Programs Household Would Consider Using



Constraints

Arvada has a limited amount of land left for development and many of its efforts are directed toward redevelopment. The cost of land is expensive and zoning is oriented toward single-family dwelling. A common theme emerged from interviews conducted with Realtors, developers and employers – education about housing options and

choices for elected officials and City staff. Developers felt that the city needed to become educated about what fit an “affordable housing” definition and then adopt clear goals and policies that would address housing needs in the community. Realtors noted that a series of educational programs were needed, including first-time homebuyer training and debt counseling and programs for seniors that would educate them about housing choices and options, including the use of reverse annuity mortgages. Lastly, while employers did not note any major concerns with recruiting and retaining employees, several felt that information that could be made available to employees about home buying, rental assistance and rehabilitation programs would be beneficial.

Other factors that were obstacles to affordable housing production identified by developers and Realtors included:

- *Land coming back onto the market after the entitlements are in place.* While this increases the cost of land to purchase, it also allows production builders to save money by not tying up a “non-producing asset” for four years. Small projects, such as Habitat for Humanity, are able to acquire one and two lots and able to produce affordably priced homes, but only because of the large amounts of donations it receives. Otherwise, the cost of land would prohibit small in-fill projects with affordably priced housing;
- *The development review process is not reliable.* Only niche builders are able to hold the land through the process and this adds to the overall expense. All of those who built indicated that it took four years to get approvals through the City of Arvada and that initial indications that projects would be approved as presented changed over the course of the review process, adding both time and expense;
- *Off-site public improvements are expensive.* Developers of entry-level or more affordable rental housing cannot carry the cost of public improvements, such as land dedication for parks, road improvements, etc., and still build a more affordably priced product;
- *Resistance from neighbors.* At one time, neighbors came out against a residential development that was proposing to construct \$600,000 to \$800,000 homes because they perceived that the project would increase their property taxes and that the new residents would want the existing neighborhood to upgrade their homes. Projects with more modest pricing proposals received similar treatment from neighbors. Neighborhood meetings were held prior to all of these developments going to the City for final approval and, regardless of the concessions offered by the developer, projects met with resistance from the neighborhood that resulted in costly changes to the development plan.
- *Lenders often do not understand the concept of “affordable housing”* and view it as having more than the usual amount of risk, which is not the case. These projects do not have the same profit margins as “market rate” developments and measure return on investment differently, but are financially sound. Those that specialize in affordable housing production noted that it is difficult for lenders and communities to understand that there is not a return on investment in the traditional sense of making money on an initial investment. The return is to the community in knowing that a portion of homes in their area will be affordable over time. Because there is not the

traditional rate of return on investment, these developments need some up-front dollars to help pay for project staff, market analysis and design. Non-profits engage in fundraising to help cover these expenses and CDBG funds have been allocated for this purpose in some communities.

Role of the City

Those participating in the *key informant* surveys noted several actions the City of Arvada could take to enhance production of more affordably priced housing in Arvada. They were asked to provide suggestions assuming that no new revenues would be available included:

- *Establish a clear vision for housing and be able to speak succinctly and clearly about what is wanted for Arvada.* Describe the types of homes that Arvada would like to see developed, and then make sure this vision is articulated to the staff and they are empowered to “say yes”. Understand the impacts of the policies that are in place and provide leadership so staff may act accordingly. It was noted that there is often a disconnect between the direction Council gives staff regarding a project and how staff acts on the development when it is submitted for approval.
- *Become educated about what “affordable housing” is and what it takes to produce this housing, then take steps to alleviate obstacles that get in the way of approving projects.* Suggestions to enhance more affordably priced housing production included streamlining the review process, and fast tracking projects that meet community housing goals. If possible, offer fee waivers or deferrals for affordable developments.
- *Encourage a mix of housing types and prices in all areas.* Avoid homogenous neighborhoods and encourage healthy neighborhoods with economic and social diversity.
- *Understand the relationships between jobs, transportation and housing and have the political will to stand behind development proposals that address these relationships.* For example, most employees are earning \$10 to \$20 per hour and there are few housing options for them. If housing were available in their price range, commuter traffic would be reduced and overall community life enhanced.
- *Take the initiative to look at neighborhoods with 1950’s style vintage homes and then support selective redevelopment of these areas.* Understand that seniors in these homes may want to move to smaller, more maintenance free units and need areas for this to occur.
- *Support mixed-use development.* This includes retail and commercial uses that have residential components. Some areas of Arvada have locations that are amenable for this type of development, including the downtown area and along major transit lines.
- *Support redevelopment of selected areas.* For example, Urban Renewal Districts focus on redeveloping areas and that could include housing. The City should

explore the possibility of using a portion of Tax Increment Financing for housing that would enliven the area.

- *Establish a clear fee waiver or deferral program for developments meeting stated community goals.* Freeze the amount of fees at the levels that are being charged when the initial development application is submitted. If approval of a project takes two to four years, the fees that are imposed on the development would be in the amount that was in place at the time the project was initially submitted for review.
- *Create areas with high density.* Understand that four units to the acre will not produce housing affordable to seniors, entry-level workers and essential employees. Look for opportunities for increased density along transit corridors. The Comprehensive Plan Update is the perfect time to look at areas where increased density makes sense.
- *Streamline the development review process.* Developers would be willing to make concessions on profitability to produce more affordable products, if there were a predictable, streamlined development review process and a reasonable assurance of project approval at the onset.